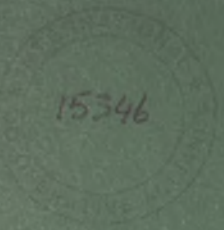


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*Report*

**INTERNATIONAL COOPERATIVE  
TRADE CONFERENCE**

New York  
November 13-15, 1978



*Sponsors:* THE COOPERATIVE LEAGUE  
OF THE U.S.A., AND THE  
INTERNATIONAL COOPERATIVE  
ALLIANCE



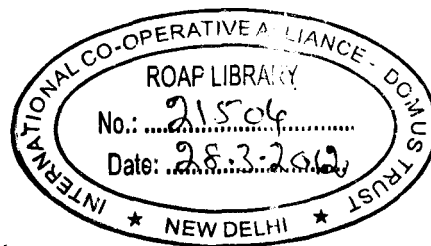
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# CLUSA/ICA INTERNATIONAL COOPERATIVE TRADE CONFERENCE NEW YORK

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## Background and Purpose

The first ever CLUSA/ICA International Cooperative Trade Conference held in New York on November 13-15, 1978, was originally conceived as a study tour of U.S. and Canadian cooperatives by 20 to 30 people in managerial positions in European countries. The study tour idea grew from discussions between ICA staff, U.S. and Canadian cooperative leaders during the ICA Congress in Paris in September, 1976. The study tour was planned for June, 1977, and the European group was to learn of the experiences of Canadian and American cooperatives in the fields of processing, marketing and stocking feedstuffs.

During the latter half of 1977, through the initiative of the Economic Subcommittee (ESC) of the ICA Agriculture Committee and the Cooperative League of the USA (CLUSA), the strong need for an international cooperative trade conference emerged. Jean Doumeng of France, ESC chairman, and Robert Beasley, U.S. representative on the ESC, agreed to co-chair the conference. CLUSA was asked to plan and execute the conference with some assistance by the ICA. The trade conference actually supplanted the study tour planned earlier.

The major purpose of the conference was to stimulate cooperative to cooperative trading among the nations of the world. A secondary purpose was to explore opportunities for establishing international cooperative trading organizations or exchanges to facilitate an increased flow of goods between cooperative traders and other buyers and sellers. The conference stressed the very practical approach of acquainting cooperative traders—importers and exporters—and providing an atmosphere conducive to trade.

The conference gained 121 active participants from 22 countries. There were 40 representatives from 21 U.S. cooperatives and allied organizations, and 81 people from 46 cooperatives and allied organizations abroad. The total attendance was approximately 140 persons, including observers from U.S. Government agencies, speakers and staff.

The countries represented were: Argentina; Canada; Cyprus; Denmark; Egypt; West Germany; France; Iceland; India; Israel; Italy; Japan; Nigeria; Philippines; Poland; Singapore; Spain; Sweden; Finland; Norway; United States of America, and Yugoslavia.

Within one month following the International Cooperative Trade Conference, questionnaires were sent to all cooperative traders who participated to determine what, if any, benefits or trades resulted from the conference. A summary of those responses is included in this report. Another reason for distributing the questionnaire was to give CLUSA an indication of the service or program needs of U.S. cooperatives in the trade areas.

Follow-up news releases were sent to a selected list of 150 farm and co-op publications by CLUSA. Press kits were hand delivered during the conference to more than a dozen major news media outlets, including television, radio and newspapers. French television covered the conference, as did the *New York Times*, *Commodity News Service*, *Commerce Daily*, *Farmland News* and *Midland Cooperative Builder*. Photos were sent by CLUSA to 44 participants along with suggested caption and news release.

U.S. Agriculture Secretary Bob Bergland made a special film for the conference and his remarks were distributed via U.S. Dept. of Agriculture press channels to a large number of news outlets. USDA also tape recorded the general sessions.

The conference was provided invaluable support, financial and other, by the Economics, Statistics, and Cooperatives Service (ESCS) of the U.S. Dept. of Agriculture. The agricultural consulting firm of E.A. Jaenke and Associates of Washington assisted in designing the conference program, securing speakers and making other arrangements. Cooperative Education and Training, Inc. of Madison, Wisconsin, planned study tours for cooperative traders from abroad to U.S. cooperatives. The Concerned Farm Wives of Kansas acted as official hostesses at the Conference. The 13 Banks for Cooperatives of the U.S. sponsored a dinner for participants, and cooperatively produced wine was donated by Guild Wineries & Distilleries of California. The conference was financially self-supporting.

E. Carroll Arnold  
Cooperative League of USA  
Conference Manager  
March, 1979

## Results and Questionnaire Responses

The most important outcome of the first International Cooperative Trade Conference appears to be the trades begun or completed, and the contacts made that could result in future trade relationships among world cooperatives. To measure the results of the conference, questionnaires were sent to all cooperative traders who participated in the conference, and below is a summary of the responses. Traders are identified only by country to protect the identities of the traders concerned.

Questionnaire responses were received from 40 per cent of the 74 foreign traders. Some 77 per cent of U.S. traders returned questionnaires. Overall, the response was 49 per cent.

Cooperatives in Japan, Nigeria and the U.S. reported *completed or nearly completed trades* as a result of the conference. These trades include:

<u>COUNTRY</u>	<u>COMMODITY OR PRODUCT</u>	<u>VOLUME OR QUANTITY</u>
Japan	Corn	1,000,000 MT
	Milo	700,000 MT
	Soybean meal	20,000 MT
Nigeria	Clean rice	1,000 T
	Peas (Blackeye beans)	1,000 T
	Yellow corn	2,000 T
U.S.A.	Salmon	2,000 T
	Raw fish production capability, Production credit	\$5 Million
	Corn, wheat, soybeans	500,000 MT

An agricultural twine and sisal market information exchange was launched because of the mutual interests expressed during the conference. An effort to compile basic statistics on common interests has already begun. These statistics are expected to include types of twine purchased, specifications, bale or carton weight, bale contents, treatment, general quality, and approximate purchases.

Cooperatives in 10 countries responded they *began negotiations* to trade various products or commodities as a result of contacts made at the conference or thereafter. Here is a rundown on the trade negotiations begun but not yet completed at the time the questionnaires were returned:

<u>COUNTRY</u>	<u>COMMODITY OR PRODUCT</u>	<u>VOLUME OR QUANTITY</u>
Canada	Fish and seafood products	not specified
Denmark	Anhydrous ammonia	open
	Binder twine	open
Iceland	Grain	15-20,000 T
	Oranges	18-22,000 boxes
India	Nigerseed	to be fixed
	Sesameseed	not specified
Italy	Fertilizers	to be fixed
	Steel products	not specified
Japan	Agricultural machinery	not specified
	Fish and fish products	not specified
	Fishing supplies and equipment	not specified
	Foods	not specified
	Sardines	500 T
Nigeria	Corned beef	1,000 T
	Wine	15,000 HL
Spain	Steel radial tires	not specified
Sweden	Fish and shellfish	not specified
	Groceries	not specified
U.S.A.	Raw salmon	1,200 MT
	Soybeans	30,000 T plus
	Corn	30,000 T

In addition to the specific trades reported above, 13 countries responded they made contacts that could result in future trade relationships. The products or commodities noted by overseas countries include: fertilizers; fish; plywood and chipboard; seeds; food products; Eskimo art; wine and olive oil; soybean meal and corn; agricultural chemicals; agricultural equipment; barbed wire; contemporary home furnishings; fruits and vegetables; and jute bags.

U.S. cooperatives, on the other hand, reported the prospect of future trade relationships with cooperatives abroad in these product areas: corn; wheat; soybeans; milo; groceries (co-op label); twine; hardware; lactose; citrus juices; fish; and rugs. In one instance, a U.S. fishing cooperative reported a possible future relationship with a Canadian cooperative for the latter to supply management. A U.S. grain marketing cooperative reported a tentative future joint effort with France to supply technical assistance to developing countries in addition to wheat sales.

U.S. cooperatives responded that they have need for the following trade services from CLUSA:

- 11 cooperatives felt a U.S. and foreign trade contact directory would be helpful.
- 10 desired technical export/import information.
- 8 desired a product or commodity directory.
- 8 suggested that CLUSA might arrange personal trade contacts.
- 6 responded that CLUSA should arrange cooperative trade missions abroad.

A total of 19 of the 49 respondents reported they received contact and/or technical information, but they are unsure how it will be used.

Four traders said they failed to receive any helpful information or assistance, or make any useful contacts at the conference. Said another way, about 90 per cent of the traders apparently felt they got positive results from the conference.

Foreign Questionnaire

QUESTIONNAIRE

CLUSA/ICA International Cooperative  
Trade Conference  
New York  
November 13-15, 1978

---

I. Name of Conference Participant \_\_\_\_\_

II. Cooperative/Organization \_\_\_\_\_

name \_\_\_\_\_

address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

phone \_\_\_\_\_

telex # \_\_\_\_\_

III. Conference Results

Please list results of conference, be as specific as possible.

A.  Completed or nearly completed the following trades:

commodity	quantity
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

B.  Began negotiations to trade following items:

commodity	quantity
_____	_____

B. (continued)

commodity	quantity

C.

Made contacts that could result in future trade relationship(s) with:

cooperative/organization	commodity

D.

Received contact and/or technical export -import information, but unsure of how it will be used.

E.

Failed to receive any helpful information, assistance, or make useful contacts.

F.

Other results or comments (please be specific - use additional sheets if necessary).

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RETURN TO:

Mr. E. Carroll Arnold  
Vice President  
Cooperative League of the U.S.A. (CLUSA)  
1828 L Street, N.W., Suite 1100  
Washington, D.C. 20036 (U.S.A.)

U.S. Questionnaire

QUESTIONNAIRE

CLUSA/ICA International Cooperative  
Trade Conference  
New York  
November 13-15, 1978

---

I. Name of Conference Participant \_\_\_\_\_

II. Cooperative/Organization

\_\_\_\_\_ name

\_\_\_\_\_ address

\_\_\_\_\_ phone

\_\_\_\_\_ telex #

III. Conference Results

Please list results of conference, be as specific as possible.

A.

Completed or nearly completed the following trades:

\_\_\_\_\_ commodity

\_\_\_\_\_ quantity

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

-continued-



B.

Began negotiations to trade following items:

commodity	quantity
_____	_____
_____	_____
_____	_____
_____	_____

C.

Made contacts that could result in future trade relationship(s) with:

cooperative/organization	commodity
_____	_____
_____	_____

D.

Received contact and/or technical export -import information, but unsure of how it will be used.

E.

Failed to receive any helpful information, assistance, or make useful contacts.

F.

Other results or comments (please be specific - use additional sheets if necessary).

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

-continued-

IV. Future Trade Needs

CLUSA is interested in learning what, if any, actual trade services it could provide to cooperatives. Please identify any you feel would be helpful.

- A.  Product or commodity directory (co-op only).
- B.  U.S. and foreign trade contact directory (buyers and sellers).
- C.  Arrange trade missions abroad.
- D.  Supply technical export/import information.
- E.  Arrange personal contacts here or abroad.
- F.  Other (please specify):

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RETURN TO:

Mr. E. Carroll Arnold  
Vice President  
Cooperative League of the U.S.A. (CLUSA)  
1828 L Street, N.W., Suite 1100  
Washington, D.C. 20036 (U.S.A.)

# Conclusions and Recommendations

The first International Cooperative Trade Conference ended with four conclusions and recommendations:

- I. The Economic Sub-Committee (ESC) of the ICA has been requested to consider setting up in other parts of the world branches of its Economic Bureau in Paris.
- II. The participants pledged that they would continue to work actively to improve cooperative trade and to support ESC efforts to increase the share of cooperative trade. The ESC was requested to explore ways and means of coordinating supplies of energy, petroleum and other inputs including equipment and machinery for the benefit of cooperatives. In these activities the ESC was asked to safeguard the interest of developing countries.
- III. Cooperative trade conferences and/or gatherings of a general or specific character should be held at regular intervals, perhaps annually. The next general conference should be organized to take place in 1980 on the occasion of the ICA Congress.
- IV. The ESC should publish a report of this Conference and distribute it with a questionnaire on trade to cooperatives all over the world.

# CONFERENCE PROGRAM

## Monday, November 13

1:00 - 5:00 p.m.

### Registration

St. Moritz Hotel, 50 Central Park South

6:30 - 7:30 p.m.

### Reception

Terrace Penthouse, St. Moritz Hotel

- Terms and conditions
- Exports available
- Financing
- Constraints

3:00 p.m.

### Break

3:15 p.m.

### Presentations by Each Country Continue

## Tuesday, November 14

### World Trade Institute

One World Trade Center, 55th Floor, Rooms 1 and 2.

9:00 a.m.

### Opening Remarks

- Robert Beasley, Vice President, Information and Public Relations, Farmland Industries, Conference Co-chairman

### Welcoming Addresses

- James Webster, Director, Governmental & Public Affairs, U.S. Department of Agriculture
- Glenn Anderson, CLUSA President

10:15 a.m.

### Break

### Report of the ICA Economic Subcommittee

- Jean Doumeng, Chairman, Economic Subcommittee, International Cooperative Alliance, Conference Co-chairman

11:30 a.m.

### Luncheon (No program)

1:00 p.m.

### Presentation by Each Country

- Imports required
- Purchase arrangements

- Farm Supply
- Facilitator: Randall Torgerson
- Farm Equipment & Plant
- Facilitator: Michael Cook
- Non-food Consumer Goods
- Facilitator: Paul Mohn
- Credit
- Facilitator: Robert Metzger

10:00 a.m.

### Break

12 noon

### Luncheon

Quadrille Ballroom Lounge

### Speaker

- Dr. Michael Cook, Professor, Dept. of Agricultural Economics, Texas A&M University, "International Cooperative Coordination in World Grain Trade"

1:30 p.m.

### Plenary Session

Quadrille Ballroom

- Jean Doumeng, Co-chairman
- Robert Beasley, Co-chairman

3:00 p.m.

### Conference Adjournment

## Thursday, November 16 and

## Friday, November 17

### Study Tour of U.S. Cooperatives

## Wednesday, November 15

St. Moritz Hotel

Quadrille Ballroom

8:45 a.m.

### Plenary Session/Inter-Cooperative Trade

#### Discussions

- Grain, Feed & Livestock
- Facilitator: Richard Vilstrup
- Food
- Facilitator: Don Hirsch



# **PRESENTATIONS AND STATEMENTS**



I am honored to welcome you to this International Cooperative Trade Conference. My only regret is that I am unable to be in New York with you.

I wanted very much to attend your meetings because they differ from many others. You will begin actual business negotiations to expand cooperative trade throughout the world. The attendance by 20 nations attests to your desire to deal directly with your co-op counterparts in our country.

These meetings are an effort to negotiate concrete sales here and now, and to create a system to make possible even more sales in the future.

As a farmer and a co-op member, I know the importance of cooperatives. I also know why they were formed. Farmer-owned cooperatives in this nation have provided an additional marketing alternative to farmers. They have provided critically needed farm supplies that were either not available or were too expensive from other sources.

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Transcript of Secretary of Agriculture Bob Bergland's filmed remarks to the Cooperative League of the U.S.A./International Cooperative Alliance Trade Conference, World Trade Center, New York, New York, November 14, 1978

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Cooperatives have expanded services and facilities, as farmers have diversified their farming operations and grown.

In many cases those of you from other countries have formed cooperatives as the result of these same problems. You have developed and expanded operations similar to U.S. farm cooperatives.

What you have done and are trying to do is recognized at the highest levels of the U.S. government. President Carter is committed to preserving cooperatives in the United States. He is also as committed as I am to encouraging more competition in the marketing of farm products within the United States and to nations throughout the world.

U.S. farm cooperatives are not new participants in the complex international marketing system. They have been direct exporters for several decades. Yet, today U.S. co-ops make only slightly more than 9 percent of our total agricultural export sales -- about \$2 billion.

A 9 percent share of total exports can be the basis upon which to build greater direct sales, sales that will generate more competition and encourage efficiency. I see this as the real potential of co-op to co-op trading.

Expanding world cooperative trade is a realistic goal. First, there is a natural bond between farmers here in the United States and farmers in other nations. It is a relationship that is continually strengthened by trust and dependability.

When I have met with government leaders from other nations during my travels as Secretary of Agriculture, they have all indicated a desire to do business with U.S. firms that have roots deep in the soil. Farmer-owned cooperatives have those roots.

The same kind of bond between farmers and their cooperatives is growing stronger between farmers and consumers. Consumers are forming cooperatives to provide many of the same efficiencies and services that have been obtained by farmers. The President and the Congress have worked together to encourage the formation of more consumer cooperatives. New legislation signed by President Carter to establish a National Consumer Cooperative Bank will help this process.

As Secretary of Agriculture, I pledge to you to commit the resources of the Department of Agriculture toward helping establish a permanent, on-going marketing system to increase world trade among farmer and consumer cooperatives.

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Competition in world trading of agricultural commodities is healthy. Greater cooperative participation in direct trading between our nation and others is healthy.

Increased trade among nations can result in a lasting, mutually beneficial relationship for everyone. I congratulate you for taking the initiative to make this possible.

Thank you very much.

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U. S. Department of Agriculture  
Office of the Secretary

It is an honor for me to be an observer at this International Co-operative Trade Conference and to deliver a personal welcome to each of you on behalf of Secretary Bergland.

As you know, the Secretary is concluding an official visit to the People's Republic of China. He traveled to the PRC at the invitation of their leaders to discuss agricultural trade and expanded scientific and technical cooperation.

This is the ninth visit out of the United States by Secretary Bergland. As in past trips, he has discussed the United States' farm policies and our country's ability to be a reliable food and fiber supplier.

Bob Bergland has been a farmer and a co-op member in his home state of Minnesota. His father served as a co-op director for almost 25 years. Bob Bergland is a man who knows the risks of farming -- the unpredictability of weather and prices. He understands the important role of cooperatives in helping farmers be effective and efficient.

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Remarks prepared for delivery by James C. Webster, Acting Director, Governmental and Public Affairs, before the International Cooperative Trade Conference, World Trade Center, New York, City, November 14, 1978.

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Were it not for the commitment by the Secretary and President Carter to expanding U.S. farm exports and discussing new opportunities for scientific and technical cooperation, Bob Bergland would be with you today.

I also have a great respect for cooperatives. More than 15 years ago I began working for the rural electric cooperatives of South Dakota and the Midwest. I learned how farmers and rural residents worked together to provide cost-effective power to their farms and homes. I learned that people were willing to take bold actions -- to invest in the facilities they needed, to provide the services they had to have.

Nearly six years ago, I went to work for the United States Senate. Working with members of Congress from rural America, provided me with new insights on farm policy and the problems that farmers face. I developed a new appreciation for cooperatives and concluded that they have the opportunity to provide farmers with new marketing innovations.

Since March, 1977, I have had the opportunity to participate in implementing new U. S. food and agriculture policies from the Executive Branch. I would like to mention them briefly to you this morning, because they have an impact on this meeting and on your cooperative goals.

First, our policies have been designed to be balanced. We recognize that farmers must be able to earn a decent income. Likewise, prices for their products must be affordable to domestic and foreign customers. We recognize the need to provide income and disaster protection to farmers to lessen the impact of crop failures or low prices caused by too much production.

Second, we know the critical importance of international agricultural trade to U. S. farmers and our domestic economy. Twenty percent of farmers' cash receipts are the result of exports, and over one million jobs in our economy are directly related to exports. We have laws to keep U. S. farm products competitive in world markets. We have greatly expanded market development and credit programs.

We understand that for export programs to be successful the U. S. must have a method to ensure our commitments to other countries every year, regardless of our crop-producing conditions. In food and feed grains, we are able to do this through a farmer-owned and farmer-controlled reserve program. This reserve now totals approximately 8 million metric tons of wheat and just over 17 million metric tons of feed grains.

Third, we recognize that trade protectionism jeopardizes U. S. agricultural exports, and in turn, farmers' incomes. We also know that imposing trade barriers can lead to retaliation in other areas -- in our opinion a self-defeating proposition.

We are realists. World trade is a two-way street. Expanding world trade among nations is one of the best ways to stimulate competition and reduce inflationary pressures on our respective economies.

We have taken strong positions in our international negotiations to remove tariff and non-tariff barriers that restrict the free flow of trade. We are in the process of negotiating international commodity agreements to bring about greater stability in world agricultural trading.

All of our commitments have an impact on what you are here to accomplish in the next two days. We believe in expanded trade. By your attendance at these meetings, so do you.

We believe in greater competition to promote efficiency. As cooperative leaders, so do you. We believe that farmers need to examine new marketing alternatives. This is the real purpose of your meetings.

Without further comment I would now like to present to you a message, filmed prior to his departure for China, by Secretary of Agriculture, Bob Bergland.

Address To  
CLUSA/ICA INTERNATIONAL COOPERATIVE TRADE CONFERENCE  
World Trade Center, New York, N.Y.

By: Glenn M. Anderson  
President  
The Cooperative League of the USA

Good morning fellow cooperators, welcome again to the United States of America. On behalf of the members, board and staff of the Cooperative League of the USA, which we refer to as CLUSA for convenience, we wish you a productive and pleasant stay in our country. This International Cooperative Trade Conference is a milestone in the history of world cooperation, and CLUSA is proud to be your host along with the International Cooperative Alliance.

I would like for a moment to tell you a bit about CLUSA, the only U.S. organization made up of cooperatives of all kinds. Our members represent cooperatives in the fields of farming, consumer goods and services, rural electric and telephone, insurance, housing, student and pre-school, group health, credit, fishing and memorial societies. CLUSA is, we say, the common ground where cooperatives of all kinds can get together under one umbrella in America. We provide services to our members in the areas of legislative and government affairs, education, communication, international trade and development. Recently, CLUSA lead the drive to pass legislation that will create a National Consumer Cooperative Bank; signed a major contract with US/AID and the cooperatives of India making 140 million dollars of surplus vegetable oil to create a co-op vegetable oil system in India. Just last week we co-sponsored the first International Conference for Board Chairmen. Thirty seven chairmen from Canada, U.S. and Puerto Rico representing 9 billion in dollar volume attended.

I would be remiss if I did not mention the extraordinary contributions of Bob Beasley and Jean Doumeng of France, our conference co-chairmen. They have labored long and carefully to design this conference for action and results.



Farmland Industries, represented by Mr. Beasley, has been in the forefront of American cooperatives committed to furthering cooperative trade, both imports and exports. We are grateful men of this caliber will devote their careers to helping people help themselves through the cooperatives of this world.

We are hopeful that Ambassador Robert Strauss will join us during the conference at some point because he has had such a remarkable influence on American trade policy in this Administration. Ambassador Strauss is a man who we would do well to emulate as cooperators: He is decisive, action oriented, and one who is totally committed to furthering trade between and among our countries.

You should also be aware of the tremendous support of this conference by Randy Torgerson, deputy administrator for cooperatives, Economics, Statistics and Cooperative Service, U.S. Dept. of Agriculture. His office has not only participated actively in the promotion and research for this conference, but has contributed financial support without which we would have been unable to hold it. We all owe Randy and his staff a great deal.

Mike Cook is a long-time friend and colleague of mine, and I think you will be rewarded tremendously by his presentation on international cooperative grain trade coordination tomorrow at lunch. Mike attended the CLUSA reception at the Central Committee of ICA in Copenhagen so he could help us promote this conference. He is one of a handful of people in this country with enough familiarity and experience to comment on this extremely complex subject.

We also owe a vote of thanks to Gene Swackhamer and the Banks for Cooperatives for hosting our dinner this evening. Gene is one of the most informed agricultural economists on the subject of agricultural credit in our country, and we are fortunate to have him with us. The generosity of the Banks for Cooperatives is not unusual in that they have time and again fostered the concept of a better tomorrow for America's farmers and cooperatives.

You have probably also witnessed scurrying about four lovely women from the state of Kansas, who are indeed concerned farm wives here to help secure the future of America's family farmers. Thank you Judy Partington, Jan Broadhurst, Marilyn Woodard, and Donna Harper for being with us to assist cooperators in their trading problems. Finally, we thank the firms of Ed Jaenke and Associates and Cooperative Education and Training, Inc. (Wayne and his son Wesley) for their help in making arrangements for this conference. Without them, we might still be talking about trade rather than doing it.

Now, let me take just a few more moments to put this meeting into perspective. Plans for this conference took many months, even years, to develop for one reason or another. Many people, including quite a few here at home, were doubting Thomases about its success potential. I understand that there were a number of cooperatives and individuals who held back until the final moment making a decision about whether to come here to New York. I want you to know the Cooperative League never for one moment wavered in its enthusiasm for the conference, and we are gratified by the excellent turn-out for it. Much of the impetus to stimulate cooperative trade has come from the ICA through its Economic Subcommittee, part of the Agriculture Committee. To those who were skeptical about the trade conference, we can only admonish you to watch as representatives of cooperatives from 22 countries

talk for the first time about the goods and services they want to trade among themselves, avoiding the multinationals and other intermediaries that have for so long added unnecessary costs for the consumers of the world. In CLUSA, we firmly believe the coming of age of cooperatives will never happen until we are strong and confident enough to trade among ourselves. We must be willing to take the required risks involved in working out trade agreements which will be of mutual benefit to the individual members of cooperatives.

This is a working conference, and we do not want you to be inhibited by the program structure. If there is something you want to talk about, we encourage you to trade first and do other things second. We have tried, through our trading lounge and by providing information and assistance by our staff and that of others, to provide a climate or environment conducive to trading. We will spare no effort to assist you in reaching our goal this week: To cooperate in trading. It should be unmistakably clear that while we can certainly enjoy one another's company through our social and program events, our mission is trade and none other.

Thank you for coming to New York, whether you came from California or Karachi. It is our pleasure to be your hosts, and please let me or any member of the CLUSA staff know if you have a need for assistance.

CLUSA/ICA TRADE CONFERENCE, NEW YORK, 13TH-15TH NOVEMBER 1978

REPORT OF MR J B DOUMENG, CHAIRMAN OF THE ECONOMIC SUB-COMMITTEE, ICA

Mr President, Ladies and Gentlemen

For the first time, the Agricultural Committee of the International Co-operative Alliance and its Economic Sub-Committee, in co-operation with the Co-operative League of the USA, have been able to organise a Conference to discuss the possibilities of international exchange between co-operatives throughout the world.

I am pleased, on behalf of the International Co-operative Alliance, to welcome and thank all the participants and, in particular, the co-operatives of the League of the USA, the task of which has been to organize this Conference. As you can see they have done it very successfully. It is an important contribution of the CLUSA and we warmly thank them.

I welcome representatives of the US Government and I thank them for their participation in our work and I also welcome and thank the different speakers whom we are proud to have among us.

The aim of this Conference is to define practical and concrete actions with a view to acquiring a wider share in international transactions by agricultural co-operatives; in this way improving their knowledge of the markets, they will strive to increase the end value of their co-operators' products.

The Agricultural Committee and the ICA Central Committee entrusted the Economic Sub-Committee with this task. From then on an Economic Bureau was set up in Paris, depending on the French co-operatives, so as to set up the necessary means to undertake and succeed in such action.

This Conference is an important springboard for such a developmet, for agricultural co-operation must assume responsibility and take action in this sector, which, for many reasons, is a prove stone for its competence.

We are witnessing that in developed countries private enterprise of a capitalist type is more and more reducing its activities in the field of agricultural trade.

I am thinking, of course, of those entrepreneurs who carry on their activities with their own means. The contradictions they come across between producers' needs and the consumers' pressures result in less and less financial means ensured, except perhaps for the large firms, often of a multinational type, which possess important assets in agricultural food-industries, such as milling, grinding of oil seeds, cheese production or food processing. We really feel that private enterprises are disappearing in some areas, for instance, in Europe more than 80% of milking is done by co-operatives and 70% of the grain harvest in the USA is done by co-operatives; we find the same thing happening, with sometimes different percentages in Canada, Australia and New Zealand.

Therefore, the next step would now be for the co-operatives to intensify their efforts on an international scale to market their products. Their vocation in export is thus becoming a concrete reality.

In developing countries the co-operative form of production seems to be particularly suitable and it is developing often with the support of governments, which sometimes create specialised national companies to facilitate these activities. Finally, in the planned economy countries agricultural co-operation is making great progress with the support of the governments, creating thus a self managed vehicle for the development of production; it is also able to sell a certain number of its products on the international market and it can provide its own supplies.

An examination of this situation indicates that it is useful to organise, on an international basis, co-operative trade.

This, however, requires a good organisation. Firstly, there is the knowledge of markets, the possibility of ensuring services such as financing, transport, forwarding and receiving terminals, which must be in the hands of co-operatives so that they will be able to carry out fully this action; furthermore the setting up of a financial and insurance system could be provided by the mutual banks and insurance companies which are members of the ICA.

Bearing in mind this situation the Paris Economic Bureau contemplates promoting in individual countries international trade companies (International Co-operative Exchanges) along the lines of the principles approved by the Agricultural Committee and the Central Committee of the ICA.

The aim of these companies, called International Co-operative Exchanges plus the name of the country concerned, is to set up the necessary means to ensure the markets and the provision of services where the co-operatives alone are not able to do so. These companies must be answerable to the legislation of the country concerned. The co-operatives of the country are the founders and must hold the majority of the capital and be responsible for the management; the other share of the capital can be bought by other co-operatives of the world which wish to do so, provided that they are accepted by those of the country concerned; a small percentage of the capital should, however, belong to the Economic Bureau of the Agricultural Committee, in order to ensure the necessary coordination between the companies thus formed and to have the ethical character and the interests of the co-operatives preserved.

These organisations should also allow an easier access to the terminal markets from which our co-operatives are excluded at the moment.

On this basis two companies have been formed as a trial; one in Malta and the other in the Lebanon; with regard to the special situation in these two countries they have already achieved a certain number of deals.

Our Economic Bureau has also initiated direct agreements between co-operatives of different countries which have brought about transactions in many products such as grains, wine, tins, refrigerating equipment for some African countries, mixing fertilizer plants, silos, tractor units and, within a year these exchanges have amounted to about 100 million US dollars. A large number of projects are being studied and should be carried out.

This meeting in New York should, to my mind, define a two year plan of action in order to assert our will, which is that of the agricultural producers, members of our co-operatives. Together we want to set up a world sector of trade and this will be an important proof of the development of international exchange.

Within the scope of these objectives we could, for example, organise grain and protein supplies between the US co-operatives and the European Community, set up forwarding and receiving terminals, organise transport and finances, possibly plan a programme with prices to be fixed every month and a guarantee for the producers to deliver certain quantities to the consumers; we could study how to supply our co-operatives with energy necessary for production (supply of fertilizers, oil, equipment) and define practical means which would allow the interested co-operatives to know about the possibilities of supplies of these different products on the international market; we could facilitate the supply of Third World co-operatives with plant necessary for the development of their production, irrigation, electricity, means of production, collection and selling of the products (consumption, exports).

We should be able to consider positive actions on these questions by defining practical aims which would open the way to real contracts.

Our ultimate aim is to ensure a non speculative sector which must avoid discrimination in trade and make easier the access for Third World agricultural co-operatives to markets and larger means of production, to control the operation of these markets and, thanks to a multinational network of information acquire definite knowledge on the openings for their products.

This would allow us to increase the end value of our products and our co-operatives would then become an example of fairer and more efficient distribution of wealth and results of human work.

It is thus necessary that we also define the role of our mutual credit banks and insurance co-operatives. It is not natural that their resources are not, to a large degree, servicing the international transactions of the production co-operatives. Often, substantial sums originating from the farmers are placed by our banks on the financial market and are finally used to reinforce our competitors' means.

Our role is to define and create conditions for business allowing our banks and mutual insurances to be in a position to help us at this level, and this to their own interest. Such an action would force the multinational companies to take into consideration our presence and thus limit their speculative role which goes against the producers' and consumers' interests.

We must also find the way to introduce planning into our relations, on an equal basis, with the large consumer co-operative organisations. That is to say that we ought to launch a wide programme which can only be realized with a great willingness of action on the basis of a precise analysis of the concrete possibilities of our co-operatives.

The aim of this Conference is to reinforce this effort to bring it to an international level. I believe that the objective conditions, considering the actual world situation, allow it.

I suggest that this Conference contributes to defining further the tasks of the Economic Bureau of the Agricultural Committee and that it leads us to opening a branch of this Bureau in New York, with the agreement of the US co-operatives, as a self supporting unit. A small commission of the Economic Sub-Committee and possibly representatives of co-operative banks and insurance companies should examine the possibilities of realising such a programme.

In my opinion these two questions should be accommodated in the conclusions of our work.

Obviously all bilateral relations between the co-operatives of different countries are welcome and they can only reinforce the ideas and actions of our conference.

We think these concrete actions could help the governments of the respective states to improve their economic international relations. We must ask for their support and for the means to make our actions easier and we should do the same with the international organisations which deal with agricultural questions or with assistance to Third World countries.

I would like us to consider holding a second Conference on the occasion of the ICA Congress in 1980 to summarise what has been achieved so far, to control and improve the impacts of this international co-operative action.

I would like to thank once more the American co-operatives of CLUSA which are attending this meeting.

I do hope our Conference will mark a decisive step in the effort the agricultural co-operative movement is making on a worldwide level.

Thank you for your attention.

## U.S. COOPERATIVES ROLE IN INTERNATIONAL TRADE

By  
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Cooperatives serve an integral role in U.S. agriculture as an off-farm extension of the farmer's operation and as consumers' purchasing agents. Before getting into trade statistics, it is appropriate to identify some relevant features of our cooperatives so that visitors to our country might have some insights to our current state of development.

Using fiscal year 1976 statistics compiled by our agency, there were 7,535 cooperatives serving farmers marketing, purchasing and related service needs. Of this total number, 4,840 engaged in marketing activity on behalf of members and 5,538 furnished farm supplies. This indicates that many of our local cooperatives perform both marketing and purchasing roles. Table 1 identifies this breakdown by commodity and functional areas with cooperative figures for 1950-51 and 1974-75. These cooperatives had a total business volume of \$40 Billion in 1975-76. (See Tables 1 and 2)

Memberships stood at 5.9 million. Memberships exceed farm numbers because some farmers belong to two or more cooperatives. Memberships per association averaged 784.

As in most countries of the world, our cooperatives are found at the local, regional and national levels. Development of national level cooperatives is a relatively recent phenomenon with the creation of

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Talk presented to the CLUSA/ICA International Cooperative Trade Conference, New York City, New York, November 14, 1978.



**Table 1—Estimated business in specified commodity and service groups of marketing, farm supply, and related-service cooperatives, selected years**

Item	Business volume (excludes intercooperative business)			Number cooperatives handling
	1950-51	1974-75	1975-76 <sup>a</sup>	
<i>Products marketed:</i>				
		\$1,000		
Beans and peas (dry edible)	25,030	165,869	116,023	53
Cotton and cotton products	320,019	900,139	959,807	519
Dairy products	1,933,665	8,442,039	8,480,086	579
Fruits and vegetables	702,426	2,720,894	2,860,587	436
Grain, soybeans, soybean meal and oil	1,361,499	12,345,570	10,633,612	2,599
Livestock and livestock products	1,321,944	2,613,172	2,783,886	477
Nuts	113,485	502,144	555,094	41
Poultry products	263,669	733,362	807,293	151
Rice	90,729	1,146,271	869,405	61
Sugar products	( <sup>1</sup> )	1,835,862	1,337,289	61
Tobacco	125,842	398,583	291,364	30
Wool and mohair	29,270	20,101	21,176	177
Miscellaneous	74,168	113,357	121,733	82
<b>Total farm products</b>	<b>6,561,766</b>	<b>31,937,363</b>	<b>29,837,355</b>	<b>4,840</b>
<i>Supplies purchased:</i>				
Building materials	( <sup>2</sup> )	297,803	326,409	2,382
Containers	( <sup>1</sup> )	148,212	113,323	670
Farm machinery and equipment	68,106	203,299	266,649	1,588
Feed	694,794	2,587,077	2,495,690	3,819
Fertilizer	156,229	1,913,131	2,284,020	3,949
Meats and groceries	( <sup>1</sup> )	99,585	108,134	486
Petroleum products	377,013	1,675,460	2,097,658	2,983
Seed	90,480	336,740	358,343	3,526
Sprays and dusts (farm chemicals)	( <sup>2</sup> )	501,747	627,790	3,597
Other supplies	298,791	897,551	733,669	4,432
<b>Total farm supplies</b>	<b>1,685,413</b>	<b>8,660,605</b>	<b>9,411,685</b>	<b>4,538</b>
<i>Receipts for services:</i>				
Trucking, cotton ginning, storage, grinding, locker plants, miscellaneous	99,958	744,477	855,277	4,911
<b>Total business</b>	<b>8,147,137</b>	<b>41,342,445</b>	<b>40,104,317</b>	<b>47,535</b>

<sup>1</sup> Included with fruits and vegetables.

<sup>2</sup> Included with miscellaneous supplies.

<sup>3</sup> Preliminary.

<sup>4</sup> Adjusted for duplication arising from multiple activities performed by many cooperatives.

<sup>5</sup> Charges for services related to marketing or purchasing but not included in the volume reported for these activities.

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organizations such as CF Industries in fertilizer and Farmers Export in grain. On the input side, Universal Cooperative has operated for many years. We frequently refer to these as inter-regional cooperatives since membership in them is frequently comprised of regional associations. More development at the national level is expected in the future. The important thing to recognize is that many of our organizations are affiliated in a "system" that begins with the farmers membership and patronage with a local cooperative -- particularly in farm supplies and grain marketing. This local has membership in a regional cooperative which may or may not have membership in an inter-regional or "national" organization.

While you are accustomed to hearing large numbers associated with annual sales volumes of our cooperatives, the vast majority are rather small business organizations. A recent financial study indicates that 13% of our cooperatives have annual sales under \$1 million, 40% under \$5 million and 60% under \$10 million. Viewed from another prospective, 24% of our cooperatives have assets under \$1 million and 66% have assets under \$5 million. This suggests that our organizations are built from the ground up. In contrast, our largest single cooperative, a regional, has sales of \$3 billion and assets of \$1.5 billion. It has 2,200 local cooperatives as members. Our largest direct membership cooperative has about 33,000 farmer members.

There are only a few production or worker cooperatives in the United States. The typical farmer cooperative instead is comprised of memberships of farm operators who own and manage their own farm enterprises. Cooperatives are capitalized and used by these farmers to purchase farm supplies and related services and to market their products.

Table 2-Farm level share of the market handled by farmer cooperatives, major selected years

Functional group and commodity	Cooperative Share of Market											
	1950-51		1960-61		1964-65		1969-70		1974-75			
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
<i>Product marketed</i>												
Cotton & cotton products	550	12	561	22	581	25	554	26	494	26	494	26
Dairy products	2,072	53	1,609	61	1,346	65	971	73	631	73	631	75
Fruits & vegetables	951	20	697	21	592	25	499	27	436	27	436	25
Grain & soybeans	2,740	29	2,661	38	2,596	40	2,539	32	2,540	32	2,540	40
Livestock & livestock products	753	16	532	14	479	13	546	11	572	11	572	10
Poultry products	760	7	567	10	410	9	295	9	167	9	167	9
Other	405	15	284	22	224	25	189	27	164	27	164	35
<b>Total</b>	<b>7,276</b>	<b>20</b>	<b>6,548</b>	<b>23</b>	<b>6,009</b>	<b>25</b>	<b>5,415</b>	<b>26</b>	<b>4,817</b>	<b>26</b>	<b>4,817</b>	<b>30</b>
<i>Farm supplies purchased</i>												
Feed	4,406	19	4,412	18	4,363	18	4,214	17	3,744	17	3,744	18
Seed	3,636	17	3,912	19	3,962	21	4,007	16	3,553	16	3,553	16
Fertilizer & lime	3,352	15	4,276	24	4,409	30	4,294	28	3,865	28	3,865	30
Petroleum	2,677	19	2,798	24	2,773	26	2,774	29	2,624	29	2,624	35
Farm chemicals	na	11	3,014	18	3,329	16	3,721	18	3,328	18	3,328	29
Other supplies & equipment	5,937	5	4,558	7	4,858	7	4,858	7	4,224	7	4,224	10
<b>Total</b>	<b>7,409</b>	<b>12</b>	<b>7,016</b>	<b>15</b>	<b>6,763</b>	<b>15</b>	<b>6,209</b>	<b>15</b>	<b>5,554</b>	<b>15</b>	<b>5,554</b>	<b>18</b>

While many of our organizations, particularly those in specialty crops, have a long history of involvement in international trade, many are new comers to this area. We are encouraging cooperatives to take a more active role in trade and have initiated several studies like the one reported by Texas A&M University to facilitate the trade process.

A recent study conducted by the Cooperative Service of ESCS identified the extent of marketing trade by U.S. farmer cooperatives. The balance of my presentation will report results of this study.

#### Role of U.S. Cooperatives in Exporting

Farmer cooperatives play an important role in exporting U.S. agricultural commodities. They are helping to serve the needs of consumers in many parts of the world, as well as to maintain domestic farm incomes and to pay for larger industrial imports, especially costly petroleum products.

In 1976, the values of U.S. cooperatives' direct sales to foreign buyers, and the cooperative shares of total U.S. agricultural exports, were as follows: (See Table 3)

Table 3.

<u>Commodity</u>	<u>Value Millions of dollars</u>	<u>Percent of total U.S. exports of the commodity</u>
Feed grains (mostly corn)	490	8.2
Wheat	356	9.2
Soybeans	298	9.0
Rice	85	13.5
Fruits, fresh & processed	293	38.0
Cotton	232	22.1
Nuts & preparations	79	40.1
Oilcake & meal	72	8.0
Soybean & cottonseed oil	34	9.3
Poultry products	16	6.3
Other	<u>76</u>	<u>xxx</u>
Total	2,031	9.2

The top four commodities exported, in terms of value at U.S. loading ports, were the same for cooperatives as for all U.S. agricultural exports. Nationally, they were feed grains (87 percent was corn), wheat, soybeans and cotton. The four accounted for 65 percent of total U.S. exports and 68 percent of cooperative exports.

Cooperatives' share of total exports of these four commodities ranged from 8.2 percent for feed grains to 22.1 percent for cotton.

For some commodities, cooperatives' share of total exports was much higher. It was 69.9 percent for fresh citrus, 40.1 percent for nuts and preparations (excluding peanuts), and 28.4 percent for processed fruit.

These percentages indicate cooperatives are relatively strong in exports of branded, packaged commodities, and less important in exports of commodities sold in bulk and in large quantities. However, this is not always the case. For example, about \$319 million of processed vegetables were exported in 1976 but less than 1 percent were exported directly by cooperatives.

Direct exporting cooperatives moved \$1.3 billion of indirect exports in 1976. Grain cooperatives exported directly only slightly more than half of their export-bound volume. Direct exports of oilseeds, oilnuts and products accounted for 58 percent of export-bound volume of those commodities. For animals and animal products, the proportion sold direct was 69 percent; feeds and fodders, 71 percent; vegetables and preparations, 81 percent; fruits and preparations, 87 percent; cotton, 88 percent; and nuts and preparations, 97.5 percent.

Data from the direct exporting cooperatives document the foothold cooperatives have in international trade. Their indirect exports, and those of hundreds of other cooperatives that export indirectly only, demonstrate the potential for a greater export role in the future.

Cooperative sales are made for delivery to about 100 countries. Ninety percent of the total shipments by U.S. cooperatives, in terms of dollar values, were about equally divided between Europe and Asia in 1976. The European Community was the largest integrated market, and Japan was the largest individual country buyer. The other 10 percent of the

cooperative volume went to Canada, Latin America, Oceania, and Africa.

The dollar values of cooperatives' agricultural exports to major market areas of the world in 1976 were as follows:

Table 4:

<u>Area</u>	<u>Value Millions of dollars</u>
European Community	897
Other Western Europe	66
Eastern Europe	<u>72</u>
Total Europe	1,035
Southeast & East Asia (mostly Japan)	843
Other Asia	<u>184</u>
Total Asia	1,027
Canada	99
Latin America	87
Africa	34
Oceania	<u>6</u>
Total other	<u>226</u>
World total	2,288

For U.S. cooperatives exporting certain commodities -- especially wheat, feed grains, soybeans, and feed meals -- making more sales delivered to foreign ports appears to be a way to provide improved service to cooperatives and other buyers around the world.

Very small proportions of the wheat and soybeans were sold "delivered" by cooperatives to foreign destinations in 1976. None of the feed grains were sold delivered.

There are valid reasons for cooperatives to make more sales on a delivered basis (c. & f. or c.i.f.) if they are to continue to grow and to enhance their competitive position in the U.S. export grain trade. Chartering (leasing) of oceangoing vessels is an essential part of delivered sales, but at present it is often difficult for cooperatives to obtain vessels at rates as low as those available to their competitors. Therefore, to make more delivered sales cooperatives will need chartering expertise.

C. & f. and c.i.f. sales involve assumption of substantial risks by a cooperative shipper and require special expertise on its part. There is no assurance that a particular cargo sold c. & f. or c.i.f. will return as much to the cooperative as a sale not providing for delivery overseas. However, c. & f./c.i.f. sales made in a continuing program are likely to have three major benefits. The cooperative may (a) gain a net margin on the chartering of vessels during the year, (b) more easily establish a reputation overseas for the dependable quality of its product and reliability of its performance, and thus enhance the value of its product in the minds of overseas buyers, and (c) obtain greater flexibility in operations than is possible without such sales.

U.S. agricultural exporting cooperatives have earned a reputation for:

- uniformly high quality products,
- dependability of service to buyers, and
- competitive prices.

We do not have available a list of U.S. exporting cooperatives that provides all of the information necessary for you to determine the export experience and capability of each association, but we do have some background material available to you at our publications desk.



### U.S. Cooperative Imports

With a few notable exceptions, the U.S. farmer cooperatives' share of U.S. imports are believed to be small (at present, there are no data available to accurately measure the share of imports.) A number of observers, however, believe that imports by cooperatives will increase.

As part of our studies in international trade, ESCS has composed a list of some products that U.S. farmer cooperatives have an interest in importing. A few of the products that a selected group of cooperatives identified as having a high interest in finding new supply sources, including foreign sources, are as follows:

- Selected lawn and garden equipment and supplies
- Tires
- Crude petroleum
- Potash
- Granular urea
- Amonium sulfate
- Technical chemicals for formulation of herbicides and pesticides
- Dimension lumber
- Electrical wire, hardware and tools
- Fence wire, posts, fasteners
- Power hand tools
- Carpenter and mechanics' hand tools
- Farm hand tools such as shovels, forks, etc.
- Bolts, nuts, nails, screws and other fasteners
- Corrugated metal panels
- Baler and binder twine
- Tarpaulins
- Gloves and rubber footwear
- Televisions, radios, and some small kitchen appliances
- Selected farm machinery items

A detailed listing of products that were identified as having import potential is attached.

Just as in the case of products they export, U. S. farmer cooperatives are only interested in importing high quality products. In addition to

being assured of high quality products, U.S. cooperative importers have stressed several other factors that often are important in a decision to import farm supplies:

1. For products requiring ongoing service (for example, machinery or appliances), someone in this country to provide needed service.
2. Maintain regular contacts with buyer.
3. Proper product packaging and promotion.

In some cases, cooperatives would prefer shipping and document preparation services. In most cases, the relatively strong position of cooperatives will allow considerable flexibility in financial arrangements.

For many farm inputs, cooperatives provide the best and widest access to the major farming regions of the United States. Cooperatives are active in all of the major agricultural production regions in the United States. Eighteen major regional farm supply cooperatives service over 8,700 local retail outlets. Most of these retail outlets carry a diversified line of farm and home supplies purchased by farmers. In addition many of these same cooperatives provide marketing services for commodities farmers produce.

U.S. farmer cooperatives represent a major share of the U.S. market for farm supplies (Table 5). For many products, their market share is increasing.

Table 5-Cooperative share of sales of selected farm supply items  
(19 regional cooperatives)

<u>Commodity</u>	<u>Share of U.S. sales</u>	
	<u>1970-71</u>	<u>: 1974-75</u>
	-Percent-	
Fertilizer	30	30
Feed	16	18
Seed	16	16
Pesticides and herbicides	18	29
Petroleum	29	35
Building materials	5	10

As previously indicated, most local farmer supply cooperatives are affiliated with regional cooperatives. These regional cooperatives provide a centralized purchasing and distribution service along with other financial and technical services to the local cooperative. At present, there are 18 major regional cooperatives. Each handles a diversified line of farm inputs.

In several product areas, the regional cooperatives have joined together to form inter-regional cooperatives. Through these inter-regional cooperatives and through the efforts of some regionals, cooperatives have become basic suppliers of many farm inputs. In particular, cooperatives have integrated back into the production and manufacturing of fertilizer, feed, petroleum products, seed, batteries, fencing, livestock equipment, paints, some hardware, chemical, and general farm supply items. For several products cooperatives distribute private branded products manufactured by major firms. These products include tires, appliances, some automotive supplies, batteries, and some farm equipment.

An important factor contributing to the success of farm supply cooperatives is their rather extensive distribution network. Cooperatives operate an extensive transportation and warehousing system including a barge transportation company, owned or leased railroad cars, pipelines, intercity and local truck delivery systems, regional warehousing facilities, and, to a limited extent, oceangoing ships.

The organization of the cooperative system for farm inputs varies by commodities. Since this variation may influence the manner in which important decisions on different products may be reached, let me briefly review the structure of several product groups.

#### A. Fertilizer

Potash is the fertilizer material imported in the greatest quantity by U.S. cooperatives. Canada is the primary source. Almost all imported potash is marketed through CF Industries, Inc. of Long Grove, Illinois.

U.S. phosphate production is adequate for U.S. needs, and few imports are expected, except possibly in some West Coast locations. Sulphur, utilized in the production of phosphate fertilizer, may be imported, however.

Anhydrous ammonia and other nitrogen fertilizers are supplied through the cooperatives' own manufacturing facilities, primarily using domestic feedstocks. Because of the current low prices in the world market for anhydrous ammonia, some imports by cooperatives could occur. Cooperatives have the capability to import if desired. The two largest cooperative fertilizer distributors are CF Industries, Inc. of Long Grove, Illinois and Farmland Industries, Inc., Kansas City, Missouri. Both of these cooperatives manufacture and distribute fertilizer over a wide area of the United States and Canada. Other cooperatives with major fertilizer manufacturing facilities include Mississippi Chemical in Yazoo City, Mississippi and Valley Nitrogen in El Centro, California. Many of the regional cooperatives mix and blend primary fertilizer materials to meet the needs of farmers in their region.

## B. Tires, Batteries, and Accessories

A large share of auto, truck, and tractor tires merchandised through U.S. cooperatives are manufactured to the specifications of, and purchased through, Universal Cooperatives, Inc., Minneapolis, Minnesota. Forty regional or subregional cooperatives from all across the U.S. and parts of Canada are members of Universal, some might be made through the regional cooperatives.

Batteries are manufactured and distributed by Farmland Industries, Inc. Universal purchases batteries on a private label basis and distributes through many of its members.

Auto accessories and supplies are purchased and distributed through Universal, as well as other regional cooperatives and local cooperatives. A number of items are merchandised under private label brands of cooperatives.

## C. Farm Chemicals

The market share of cooperative sales of farm chemicals has increased dramatically since 1969-70, from an 18 percent share to about 30 percent share. The extensive farm supply network, plus the commitment to meet farmers' needs, probably accounts for this growth in sales. At present, cooperatives are considering how to come more basic in the development or manufacture of herbicides and pesticides. Some small steps have been made in this direction. Universal Cooperative, Inc. and Farmland Industries, Inc. are currently producing atrazine. Several cooperatives are considering expanding their line of private brand farm chemicals and, in some cases, becoming formulators or exclusive distributors of farm chemicals.

#### D. Petroleum

Currently, there are 8 cooperatively-owned petroleum refineries. Although all may use imported crude oil at times, 4 are particularly dependent on imported crude. These include Energy Cooperative, Inc., East Chicago, Illinois, CENEX's refinery in Laurel, Montana; Texas City Refinery in Texas City, Texas and Farmland's refinery in Coffeysville, Kansas. Other refineries use imported crude oil to a lesser extent. There are also some imports of LP gas, primarily by cooperatives in the northern states. Imports of refined petroleum products are limited.

#### E. Building Materials and Hardware

No specific data are available on the market share of hardware items. The overall market share of cooperatives is not believed to be particularly large. Most cooperatives, however, carry a rather wide selection of tools and hardware items and are significant suppliers of hardware items to farmers.

Several areas in which farmer cooperatives have been or are becoming fairly strong include farm buildings and accessories, fencing materials, and livestock and grain handling facilities. For several of these products, cooperatives are fabricators. In other cases, they carry a mix of private brand and name brand products.

For imported hardware products, Universal Cooperative, Inc. would probably have the greatest potential for access to a wide market area. However, some regional cooperatives may import selected products.

For imported building materials, the best approach would be to contact those regional cooperatives that have farm building programs.

#### F. Baler and Binder Twine

Almost all imports by U.S. farmer cooperatives are through Universal Cooperative, Inc.

#### G. Lawn, Garden, and Household

Lawn, garden, and household supplies and equipment may be purchased by regional cooperatives through Universal Cooperative, Inc. or directly from basic suppliers.

#### H. Paints

Farmland Industries, Inc. manufactures paints which it distributes to members. Universal Cooperative, Inc. distributes private label paints produced by a major paint manufacturer. Some paint accessories and equipment may be imported.

#### I. Other Products

Although cooperatives distribute a large quantity of feed, there is little interest in importing. Some livestock drugs and medicines and some feed additives may be imported through Universal Cooperative, Inc. or through some regional cooperatives.

Farm machinery sales by most cooperatives are limited and usually purchased from private manufacturers or distributors by the regional cooperatives. Some cooperatives recently have increased or are looking to increase their sales of farm machinery.

## SUMMARY

To summarize, cooperatives in this country are showing an increasing interest in international trade. In some cases, cooperatives are "old hands" at trading, but in other situations, it is something new. Since we are such a sparsive country, many organizations have not been oriented to the market possibilities and purchasing needs of foreign customers, including cooperatives. However, it is becoming vital that more cooperatives become involved in the international market. We are going through a learning process.

The possibilities of cooperative-to-cooperative trade offer many new challenges and opportunities. A significant part of this is the cooperatives ability to provide assurance of quality and flow of products to markets. In the process, new institutions to facilitate trade will need to be created, some hopefully with joint cooperative ownership. U.S. cooperatives are becoming increasingly interested in seriously exploring and engaging in international marketing activities in both processed foods and fibers, and bulk commodities. This conference should go a long way in kindling the type of dialogue that will lead to substantial international cooperative-to-cooperative trade.



ESCS, USDA  
October 1978

COMMODITIES THAT U.S. FARMER COOPERATIVES  
ARE INTERESTED IN EXPORTING TO, OR  
IMPORTING FROM, COOPERATIVES IN OTHER COUNTRIES

EXPORTS

Grains

Barley  
Corn  
Rice

Sorghum grain  
Wheat

Oilseeds, oilnuts, and products

Cottonseed  
Cottonseed meal  
Cottonseed oil  
Peanuts  
Peanut meal

Peanut oil  
Soybeans  
Soybean meal  
Soybean oil

Fruits

Apples, fresh and processed  
Apricots, processed  
Avocados, fresh and processed  
Blackberries, processed  
Blueberries, fresh and processed  
Boysenberries, processed  
Cherries, fresh and processed  
Cranberries, fresh and processed  
Figs  
Fruit cocktail  
Grapes, processed  
Grapefruit, fresh and processed

Lemons, fresh and processed  
Nectarines, fresh  
Olives  
Oranges, fresh and processed  
Peaches, processed  
Pears, fresh and processed  
Pie fillings  
Plums, processed  
Prunes  
Raisins  
Raspberries, processed  
Strawberries, processed

Vegetables

Asparagus, processed  
Beans, processed  
Beans, dried  
Beets, processed  
Broccoli, processed  
Cauliflower, processed  
Carrots, fresh and processed  
Corn, processed

Peas, processed  
Potatoes, fresh  
Pumpkins, processed  
Radishes, fresh  
Rhubarb, processed  
Sauerkraut, processed  
Spinach, processed  
Tomatoes, processed

Nuts, excluding peanuts

Almonds and products  
Pecans  
Walnuts

Animals and products

Broilers, processed  
Cattle, live  
Chicks, live  
Dairy products, processed  
Eggs, frozen  
Hides

Hogs, live  
Lambs/sheep, live  
Pork  
Turkeys, processed  
Wool

Cotton, raw

Other

Alfalfa  
Animal milk replacer  
Beet pulp, feed  
Citrus pulp, feed

Honey  
Prepared livestock feeds  
Seeds, field  
Seeds, garden

IMPORTS

Moderate Interest

Lawn and Garden

Power lawn and garden equipment

Paints and Supplies

Paint cleaners and removers

Painting tools

Tires, Batteries, Accessories

Tuneup equipment and supplies

Filters

Petroleum

Oil furnaces

Appliances and Household Supplies

Stoves, refrigerators, freezers

Cooking equipment

Light bulbs

Garbage containers - household

Feeds, Animal Health Products

Feed supplements

Livestock drugs and medicines

Livestock feeders and waterers

Farm Machinery and Equipment

Crop dryers

Grain elevators

Sprayers

Irrigation pumps, pipes, fittings

Fertilizer and Farm Chemicals

Phosphates

Ammonium nitrate

Anhydrous ammonia

Herbicides

Pesticides

Building Materials - Hardware

Roofing materials (shingles, rolls, supplies)

Plumbing supplies including steel, copper, and plastic pipe

Locks

Chains

Rope

Ladders

General Farm Supplies

Space heaters

Fans

IMPORTS

High Interest

Lawn and Garden

Chain saws  
Wheelbarrows  
Garden hoses  
Garden fertilizer spreaders  
Selected seeds and plants  
Peat Moss

Tires, Batteries, Accessories

Tires: auto, truck, tractor

Petroleum

Crude petroleum  
LP gas

Appliances and Household Supplies

Small kitchen appliances

Farm Machinery

Grain storage bins  
Tillage tools

Feeds, Animal Health Products

Molasses  
Trace elements for feed additives

Fertilizer and Farm Chemicals

Potash  
Granular urea  
Ammonium sulfate  
Liquid fertilizers  
Technical chemicals utilized in  
herbicides and pesticides

Building Materials - Hardware

Dimension lumber  
Electrical wire, hardware, tools  
Fence wire, posts, fasteners, tools,  
electric controllers, snow fences  
Power hand tools  
Carpenter, mechanics hand tools  
Farm hand tools (shovels, forks, etc.)  
Tool boxes, handles  
Bolts, nuts, nails, fasteners  
Corrugated metal panels

Entertainment and Sporting Goods

Televisions, radios, tape recorders

General Farm Supplies

Baler and binder twine  
Tarpaulins, canvas and plastic  
Gloves  
Rubber footwear  
Heaters

CLUSA/ICA INTERNATIONAL COOPERATIVE TRADE CONFERENCE

ST. MORITZ HOTEL, NEW YORK CITY

NOVEMBER 14, 1978

ADDRESS BY

GENE L. SWACKHAMER, PRESIDENT  
FARM CREDIT BANKS OF BALTIMORE

Good evening Mr. Doumeng and Mr. Beasley, Co-Chairmen of this conference, distinguished guests at the head table, delegates, fellow cooperators and especially the fair ladies who grace this dinner with their presence. I am delighted to be your host and to have this opportunity to address your conference.

In her formative years, the United States of America understood the importance of trade. In the fledgling colonies, tobacco and cotton were exchanged for tools, manufactured goods and foodstuffs. However, as a new nation, there was a frontier to be tamed and self-sufficiency became the order of the day. We became an insular nation often forgetting the principles of comparative advantage. Our own appetite for agricultural products appeared to be insatiable. Farmers and ranchers applied the best technology available exhibiting a thirst for new production knowledge. They rose to positions of stature and leadership throughout the Nation. Our agriculture flourished and so it remains today.

In this capsule history, the impact of change cannot be ignored because it is the most dominant factor in our agriculture. Once again we have learned that we are an agricultural export dependent nation. Our comparative advantage lies in exchanging food and fiber for other goods. Our farmers understand this fact. They know that 60-70 percent of their wheat, 60 percent of their soybeans and one-fourth of their feedgrains are sold to other nations. They also want a larger share of the market value of their output. Some call this verticle integration.

As an extension of the farm, American marketing and supply cooperatives are being urged by their members to become more active and aggressive in seeking international trade relations. Cooperatives are responding, with some caution, but also with sure conviction that they must be a competitive marketing force.

We in the Farm Credit System share these convictions and are happy to be your hosts this evening -- to share in this conference toward a better understanding of trade opportunities. The Bank for Cooperatives expects to fulfill a lead bank role in assisting our borrowers in trade acceptances, lines of credit, letters of credit, receivables and inventory financing and other aspects of trade relations. We do not profess to be experts, but we have made a commitment to do a job and that job will be done.

Permit me to illustrate some of these points with a story. In early Virginia, farmers used mules to do field work and a good pair was a real treasure. A farmer lost one of his mules and sought a replacement from a neighbor who had a big red mule. The neighbor said the mule was not for sale because he "didn't look so good". The farmer, however, was persistent but so was the neighbor refusing to sell because the mule "didn't look so good". Finally upon an offer of \$200, a bargain was struck and the trade was made. Both men were pleased.

The next day the farmer discovered that the mule was stumbling all over the field and was worthless in the harness because he was blind. He returned the mule to his neighbor seeking his \$200 back claiming he had been sold a defective mule, but the neighbor said, "I told you many times that he didn't look so good!"

In contrast to mule trading, international trade requires a high degree of confidence and integrity among cooperatives and forthright communication regarding product attributes. Trade cannot survive on cooperative zeal and idealism alone; there must be mutual advantage. I trust that you will establish these high standards in your negotiations.

The exchange of \$200 was a simple transaction. There was no banker, no variable levies, no documents, no letters of credit, no insurance, no taxes, no freight. Things are not so simple today. If cooperatives are to be

successful in international trade, they must develop new skills and acquire specialized services. The Banks for Cooperatives were created to serve domestic cooperatives without the foresight of future foreign trade requirements. Now we are in the future and our charter authorities need updating and modernization so that a full range of financing services can be provided to our borrowing stockholders. We hope to obtain these needed changes in 1979 with the help of Congress who can amend our charter.

Well, I believe I have carried one story about a big red mule about as far as it can go. Your efforts to find ways to facilitate cooperative trade are commendable and I offer the compliments of the Bank for Cooperatives to the Cooperative League and International Cooperative Alliance for this initiative.

It has been my pleasure to represent the thirteen Banks for Cooperatives as Chairman of their Finance Committee and your host this evening. I trust that you will find this to be a rewarding conference.



THE SPECIAL REPRESENTATIVE FOR  
TRADE NEGOTIATIONS  
WASHINGTON

STATEMENT OF AMBASSADOR ROBERT STRAUSS, SPECIAL TRADE REPRESENTATIVE,  
TO THE INTERNATIONAL COOPERATIVE TRADE CONFERENCE, WORLD TRADE CENTER,  
NEW YORK CITY, NOVEMBER 14, 1978

First, may I express my regrets that I am unable to join with you tonight at this very special International Cooperative Trade Conference. I spent this past week in Geneva and Europe, returned to the United States for special long-standing engagements, and am on my way back to Geneva. I had told Ed Jaenke earlier that I would be delighted to visit with you if my schedule permitted. Since the trade negotiations prevent me from being with you, I hope this brief message will convey my strong support for this international conference of cooperatives in the interest of furthering trade.

Agriculture is the foundation of international trade. Food and related products account for more than \$27 billion in world market activities. I have said many times that the success of this current round of Multilateral Trade Negotiations is dependent upon our success in achieving significant progress in the agricultural field. These negotiations are important, not only to the producers of agricultural commodities, whatever nationality they may be, but in this period of history when inflation is a major problem throughout the world -- the development of trade relating to commodities is vital to nearly all of the citizens of the world.

Our goal in the Tokyo Round is to create a climate whereby food commodities can move more freely in international trade, where the benefits of efficiency can be shared by all, where our citizens can benefit from special products

THE SPECIAL REPRESENTATIVE FOR  
TRADE NEGOTIATIONS  
WASHINGTON

of special qualities. We seek to minimize the disruptive and destructive effects of roller-coaster markets in wheat through a sharing of stockpiling requirements and through the conclusion of arrangements on coarse grains, meat, and dairy which permit periodic discussions of common problems.

I was particularly impressed with the purpose of this conference -- to promote greater trade among cooperatives of the world. I salute this purpose and hope that this conference can bring positive results. Success in this goal will mean stronger and more healthy competition.

As Secretary Bergland remarked to you this morning, President Carter is dedicated to the support of cooperatives as a part of our free enterprise system. And with Secretary Bergland I share a dedication to encourage greater competition and greater cooperative trade activities. This is closely related to my current special assignment -- negotiating more open and freer, unfettered trade among the nations of the world, under rules that are fair for all.

I wish you well in this conference and ask your support and prayers that we may make right decisions in the vital MTN negotiations.

International Cooperative  
Coordination in the World  
Grain Trade: A Conceptual Framework

by

Dr. Michael L. Cook  
Dept. of Agricultural Economics  
Texas A&M University  
College Station, Texas 77843  
U.S.A.

for

THE INTERNATIONAL COOPERATIVE  
TRADE CONFERENCE  
The World Trade Center  
New York, New York  
November 15, 1978

## Introduction

There exists a chronic shortage of food in many places of the world.

This deficit can be ameliorated by two basic means:

- nation-state agricultural policies that encourage food self-sufficiency and equitable food distribution, or
- by increasing consumers real income through promotion of a more efficient international food distribution and trade system.

Today we will look at the more economically efficient of these two approaches; that of improving real incomes through international trade. We will concentrate on the international trade of grains and protein meal.

Trade in grain and oilseeds at the international level is carried on in an imperfectly competitive market by a relatively small number of public and private firms. Economic theory suggests that such a market structure prevents the producer and/or the consumer from enjoying maximum economic benefits. Our charge today is to examine the viability of changing the international grain trade market structure through increased producer association involvement.

## The Study

Comments subsequently made have been formulated during the interviewing phase of a study that is presently being carried on by the Texas Agricultural Experiment Station and the USDA-ESCS. These comments are preliminary and partial in content as the analysis stage of the research has not been concluded. The study's objectives are:

to identify and specify the nature of alternative international cooperative arrangements to increase coordination in the grain trade.

to determine the extent of government and producer association interest in such arrangements.

to suggest the potential for success and steps in developing such arrangements.

The data used in the analytical part of the study were obtained by indepth interviews with cooperative leaders, trade policy personnel, domestic agricultural personnel, state traders, cooperative exporters and cooperative importers of twenty nations during a five month period of 1978.

Six major grain and oilseed exporting countries and fifteen grain and oilseed importing countries were visited. These countries included Canada, Australia, Taiwan, Korea, Japan, Mexico, Guatemala, Brazil, Uruguay, Argentina, Spain, Portugal, Denmark, Netherlands, Belgium, France, Federal Republic of Germany, Sweden, England, and the United States. Interviews were held with forty-two (42) exporting, importing, and federations or unions of cooperatives representing more than 10,000 regional and local coops, twenty-one (21) government ministries, eleven (11) state trading institutions, eight (8) university researchers, plus a number of USDA staff members.

#### Alternative International Cooperative Arrangements

Three alternative means of international cooperative coordination designed to improve producers' economic positions in the world grain market are identified and discussed. These arrangements include: 1) inter-cooperative trade agreements, 2) international marketing agencies in common, and 3) a multinational cooperative enterprise.

These alternatives represent an increasing level of sophistication. In terms of trade agreements, an international marketing agency in common has more coordination potential. Similarly, a new, separate organization

such as a multinational cooperative enterprise has even more coordination potential than either of the first two alternatives. This does not necessarily suggest that one alternative is superior to another. Within specific situations any one alternative might be most beneficial. A succinct definition of each of the three alternatives is hereby presented:

1. Inter cooperative trade agreements (ITA)

ITA's involve grain trading agreements among cooperatives in two or more countries. No new cooperatives would be formed in this alternative. The basic purpose of ITA's would be to establish a system of normal grain trading practices or preferences among the agreeing parties.

2. International marketing agency in common (IMAC)

An IMAC involves formation of a separate cooperative organization (sales, information, transportation, etc.) among cooperatives located in two or more countries. It would combine the marketing efforts of its member cooperatives, but would not take title to any commodity.

3. Multinational cooperative enterprise (MNC)

A MNC is a combination or federation of cooperatives (each initially established in one country and operating within that area) which have joined together to form a third cooperative to provide international goods and/or services. A MNC does take title to a commodity.

These three alternatives form the column headings in Table I.

There are a number of combinations by which cooperatives in different nations might coordinate their activities. These trading combinations are:

1. Export-Export Combination

Exporting cooperative or cooperatives in one nation join with an exporting cooperative(s) in one or more other nations to coordinate export marketing through one of the three aforementioned marketing strategies.

2. Import-Import Combination

Importing cooperative or cooperatives in one nation join with an importing cooperative(s) in one or more other nations to coordinate import marketing through one of the three marketing strategies.

3. Export-Export Combination

Exporting cooperative or cooperatives in one or more nations joining with importing cooperative or cooperatives of one or more nations to coordinate international marketing through one of the three marketing strategies.

Preliminary Finding and Comments

The preliminary findings of the researchers is briefly presented. It is important to remember that there has been no questionnaire editing nor analysis of the data gathered and therefore what is presented is a combination of impressions garnered by the participating researchers. The formal results of this study will be published upon completion of the analysis.

1. Alternative: Trading Agreements

a. Trading Combination: Export-Export Trade Agreement

No example of trading arrangements between exporting cooperatives of major grain exporting countries was observed. A number of cooperatives or quasi-cooperatives in Argentina,

Brazil, Australia, and Canada demonstrated varying degrees of interest in exploring the possibilities of increased coordination between grain exporting cooperatives. It was suggested that trading arrangements between common exporters cooperatives might be an initial step in developing experience and trust among exporting associations of different countries. Potential for increased participation: opportunities in oilseed and feed grain sectors between North and South American cooperatives.

b. Trading Combination: Import-Import Trade Agreement

A small number of trading agreements between importing cooperatives of different European nations were identified. The interest for increasing this type of arrangement appeared genuine and enthusiastic in Europe and parts of Central and South America. Economic reasons given as to why this type of coordination might be beneficial included, taking advantage of transportation rates (elimination of partial cargoes), and scale economies in transportation and buying without having to construct more storage or develop new port facilities. Potential for increased participation: limited opportunity in feed grains in Central America and much opportunity in Europe in the feed grain and oilseed sectors.

c. Trading Combination: Export-Import Trade Agreements

A large number of trading agreements between exporting and importing cooperatives were identified during the study. Exporting and importing cooperatives or quasi cooperatives in Australia, South America, U.S.A., Japan, and Europe have or are presently committed to this type of trading alternative



A number of agreements have been in existence for more than fifteen (15) years. Assurance of supply, market security, and a step toward international intercooperative experience were often cited as benefits. Potential for increased participation: even though this is the alternative most common at the international level much opportunity exists for increased participation by cooperatives in most nations.

2. Alternative: Marketing Agency in Common (IMAC)

a. Trading Combination: Export-Export, IMAC

There were no observations of IMAC's presently existing between cooperatives located in exporting nations. The only examples of IMAC's involved in exporting were found in the United States. Varying degrees of interest were expressed by a number of exporting cooperatives in IMAC's. It was suggested that they emphasize information, financing, shipping, and insurance. Potential for increased participation. At the Export-Export level opportunities are limited for the development of IMAC's but some potential does exist for cooperatives in North and South America, particularly in oilseeds.

b. Trading Combination: Export-Import, IMAC

There were no examples of grain importing cooperatives participating in international marketing agencies in common and negligible interest was evidenced among those interviewed.

c. Trading Combination: Export-Import, IMAC

A European marketing agency in common, EUROGRAIN, involving fifteen European importing and exporting grain cooperatives has had a history of cyclical success. It has served as an

excellent catalytic instrument in permitting European exporting and importing cooperatives opportunities to gain mutual experience in administration, trade, and organization of an international marketing agency in common. Potential for increased participation: with minimum commitment and for services other than grain transactions (transportation). Enthusiasm is presently low.

3. Alternative: Multinational Cooperative (MNC)

a. Trading Combination: Export-Export, MNC

No multinational cooperatives consisting solely of exporting associations were identified. Very limited interest was expressed in this alternative.

b. Trading Combination: Import-Import, MNC

Same as Export-Export, MNC

c. Trading Combination: Export-Import, MNC

An initial effort to form an exporting-importing Multinational Cooperative among European cooperatives has had limited success. There was much interest shown by cooperatives in each country. toward this "ultimate goal" type of organization. Many questions were raised as to the organization, economic feasibility, member participation, administration, area of business, etc. Potential for increased participation: interest very strong but financial and organizational constraints might restrict realizable potential.

#### Conclusions

Our initial observations can be summarized in the following manner:

1. Cooperatives have had considerable experience participating in international trading agreements, particularly between exporting and importing nations.
2. There have been a number of attempts to organize the more sophisticated alternatives with varying degrees of success. One manner in which to evaluate these experiences is to consider them to be part of a dynamic learning process.
3. There was almost unanimous interest and enthusiasm for development of a multinational grain cooperative enterprise.
4. A number of cooperatives felt that the move toward a multinational cooperative enterprise should be done in a sequential manner commencing with the lesser sophisticated trading arrangements first.
5. Cooperatives in different countries have diverse philosophies. This raises many questions as to the compatibility of the participants.
6. Joint cooperation at a sophisticated level will also depend on the chemistry of personalities involved, i.e., at both national and international levels.
7. International cooperative coordination can happen at different levels of sophistication simultaneously as cooperatives throughout the countries interviewed are at varying stages of development at the same time.
8. Besides the basic structural and behavioral characteristics that suggest certain identifiable strategies a number of basic issues must be considered. An understanding of these issues map out essential elements necessary for any degree of international

cooperative coordination to be successful. These issues include:

- a. The need to remember that cooperative associations are to promote the interests of their member users. Identifying these member user objectives at the international level might be more difficult than at the national, regional, or local levels.
- b. The need to have agreement and purpose in three key areas: financing, product commitment, and goal or philosophical compatibility.
- c. And finally the need to understand and be prepared for the adjustments and distortations created by the phenomenon of increasing international interdependence.

The goal of achieving international cooperative coordination is a challenging one, the talent and manpower exists to achieve it but brash and swift moves toward commencing the task should not be made without economic justification nor recognition of the immense organizational and financial cost inherent in such an undertaking.

Table I

Cooperative International Marketing Alternatives and Trading Combinations Summary

Trade Combinations	Inter'l Market Alternatives	Trade Agreements	Marketing Agency In Common	Multinational Cooperative
Export-Export	<ul style="list-style-type: none"> <li>- No experience</li> <li>- Varying degrees of interest</li> <li>- Advantages noted                             <ol style="list-style-type: none"> <li>1. expanded sales</li> <li>2. expanded market shares</li> <li>3. increased grain handling efficiency</li> <li>4. improved market intelligence</li> </ol> </li> </ul> Potential: Some	<ul style="list-style-type: none"> <li>- No experience</li> <li>- Some interest particularly in shipping and information</li> <li>- Advantages                             <ol style="list-style-type: none"> <li>1. cost economies</li> <li>2. possible operational efficiencies</li> <li>3. coordination potential</li> </ol> </li> </ul> Potential: Limited	<ul style="list-style-type: none"> <li>- Experience at national level, none at inter-national</li> </ul> Potential: Very Limited	
Import-Import	<ul style="list-style-type: none"> <li>- Limited experience</li> <li>- Strong but regional degree of interest</li> <li>- Advantages                             <ol style="list-style-type: none"> <li>1. better coordination of imports</li> <li>2. quantity discounts</li> <li>3. transportation efficiency</li> </ol> </li> </ul> Potential: Limited	<ul style="list-style-type: none"> <li>- Same as above</li> </ul> Potential: Limited	<ul style="list-style-type: none"> <li>- Same as above</li> </ul>	
Export-Import	<ul style="list-style-type: none"> <li>- Much experience</li> <li>- Strong and universal interest in increasing number and volume</li> <li>- Advantages                             <ol style="list-style-type: none"> <li>1. assured supply</li> <li>2. assured markets</li> <li>3. increased efficiency</li> </ol> </li> </ul> Potential: Unlimited	<ul style="list-style-type: none"> <li>- European cyclical success</li> <li>- Advantages same as above</li> </ul> Potential: exists in multiple services  Potential: more than present	<ul style="list-style-type: none"> <li>- Limited experience in Europe</li> <li>- Enthusiasm very high in most areas interviewed</li> <li>- Advantages                             <ol style="list-style-type: none"> <li>1. increase market shares</li> <li>2. possible cost economies</li> <li>3. market flexibility</li> </ol> </li> </ul> Potential: Strong interest but task is huge	

# **PRESS COVERAGE**



Cooperative League  
of the USA  
"common ground for cooperatives"

1828 L Street, Northwest, Washington, D.C. 20036

**news release**

September 7,  
1978

Contact: E. Carroll Arnold ..... 202/872-0550

For Immediate Release

The Cooperative League of the U.S.A. will bring together cooperatives from around the world in a trade conference to be held in New York on November 14-15. The conference will be at the World Trade Institute, part of the World Trade Center, according to Glenn M. Anderson, League president.

Robert Beasley, vice president of Farmland Industries, and Jean Doumeng of France will be co-chairpersons of the trade meeting. It is the first such effort by the League to encourage co-op to co-op trading. The Cooperative League is sponsoring the event with the International Cooperative Alliance.

Anderson said invitations have been extended to cooperatives in about 70 countries, including the U.S. Most of the cooperative traders in the U.S. have been invited, numbering about 70 to 80.

The primary purpose of the conference is to increase trading between and among cooperatives, both in exports and imports, Anderson said.

Invitations to participate have gone to U.S. Secretary of Agriculture Bob Bergland and Robert S. Strauss, special representative for trade negotiations for the U.S. Randall Torgerson, acting deputy administrator, Cooperatives, of the Economics, Statistics and Cooperative Service, U.S.D.A., will appear on the program to elaborate on the total needs of U.S. co-ops in both imports and exports.

Anderson and Beasley travelled to Copenhagen in mid-September to promote the conference among ICA members there to attend a central committee meeting. Anderson was introduced as the new CLUSA president to world co-op leaders at a reception sponsored by the League by Roman Eller, CLUSA board chairman and president of Mutual Service Insurance. CLUSA is the U.S. member of the ICA.

(more)



first add/trade conference

A study tour is planned in conjunction with the trade conference, Anderson reported. World cooperators will be scheduled to visit U.S. co-ops according to their special interests by the University Center for Cooperatives in Madison, Wisconsin.

Anderson said questions about the trade conference may be directed to Carroll Arnold, League vice president for public and member relations, who is in charge of conference arrangements. Conference headquarters will be the St. Moritz Hotel in New York.

####

## Co-ops Around the World To Hold Own Trade Conference

**C**OOOPERATIVES from around the world will convene in New York Nov. 14 and 15 with a goal of encouraging co-op to co-op international trading. Host and cosponsor of the trade conference is the Cooperative League of the U.S.A. (CLUSA).

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Billed as the CLUSA/ICA International Cooperative Trade Conference, the Tuesday sessions will begin with opening remarks by Robert Beasley, conference co-chairman. Planned also are welcoming addresses by Anderson, CLUSA president, and Bob Bergland, U.S. Secretary of Agriculture.

A report of the ICA Economic Subcommittee is to be given by Jean Doumeng, conference co-chairman.

Each country is to report on:

- Imports required
- Purchase arrangements
- Terms and conditions
- Exports available
- Financing
- Constraints

The presentation about U.S. Cooperatives is to be given by Dr. Torgerson. Ambassador Strauss has been invited to speak at the evening program.

Wednesday's program features a plenary session on inter-cooperative trade discussions involving grain, feed and livestock; farm supply; farm equipment and plant; food, and non-food consumer goods.

Dr. Michael L. Cook, Texas A&M University, has been invited to discuss international cooperative coordination in world grain trade. ■

### *Cooperative Plan May Aid Poor Dairy Farmers in India*

The meager incomes of 10 million of India's poor families may be doubled as a result of a proposed project to help them organize dairy cooperatives.

The project, aided by the Cooperative League of the USA, has been described as "one of the most ambitious single development plans ever conceived for ending rural poverty."

The cooperative project would enable Indian farmers to own their own milk-processing facilities and sell milk directly to consumers in all of the country's cities with more than 100,000 population. Over a 7-year period, the plan would link more than 50 million members of farm families to 150 million urban consumers.

India's National Dairy Development Board has requested a loan from the World Bank, and also anticipates substantial donations from the European Economic Community to launch the development plan.

# CLUSA

COOPERATIVE  
LEAGUE OF THE  
USA



SUITE 1100 / 1828 L ST., N.W. WASHINGTON, D.C. 20036

# NEWS

For further information contact:  
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or 212-755-5800 (NY)

For Immediate Use

WASHINGTON---Cooperatives from 22 countries will participate in the first ever International Cooperative Trade Conference in New York on Nov.13-15, according to Glenn M. Anderson, president of the Cooperative League of the USA (CLUSA). Anderson said more than 120 people will attend the conference, which is being held to promote cooperative to cooperative trade around the world. The conference is sponsored by CLUSA and the International Cooperative Alliance (ICA).

U.S. cooperatives representing producers of grain, citrus, nuts, farm supplies, fish, dairy products, dairy and livestock equipment have registered for the trade conference. Altogether, some 18 cooperative organizations will represent this country. Also included in the U.S. cooperative delegation will be consumer goods cooperatives interested in trading food and furniture as well as household goods, Anderson said.

The conference is specially designed to stimulate actual co-op to co-op trading and promotion of trade contacts for future relationships. Invitations to participate have gone to Robert S. Strauss, special representative for trade negotiations for the U.S.; James Webster, director of governmental and public affairs for the U.S. Dept. of Agriculture, who will introduce a specially prepared film for the conference by Bob Bergland, Secretary of Agriculture; Randall Torgerson, deputy administrator, cooperatives, Economics, Statistics, and Cooperatives Service, U.S.D.A.; Dr. Michael Cook, professor of agricultural economics at Texas A&M University; and Gene Swackhamer, president of the Farm Credit Banks of Baltimore. Conference co-chairmen are Robert Beasley, vice president of Farmland Industries, and Jean Doumeng of France.

Conference headquarters is the St. Moritz Hotel in New York, with some sessions to be held at the World Trade Center.

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# ***FARMLAND NEWS***

Published by Farmland Industries, Inc.

\* October 14, 1978

## ***Trading between world's co-ops to be studied in conference***

The Cooperative League of the USA will bring together cooperatives from around the world in a trade conference to be held in New York Nov. 14-15. The conference will be at the World Trade Institute, part of the World Trade Center, Glenn M. Anderson, League president, said.

Robert Beasley, vice president of information and public relations for Farmland Industries, and Jean Doumeng of France will be co-chairmen of the meeting. The Cooperative League is sponsoring the event with the International Cooperative Alliance.

Anderson said invitations have been extended to cooperatives in about 70 countries, including the U.S. Most of the cooperative traders in the U.S. have been invited, numbering about 70 to 80.

"The primary purpose of the conference is to increase trading between cooperatives, both in exports and imports," Anderson said.

Invitations to participate have gone to Secretary of Agriculture Bob Bergland and Robert S. Strauss, special representative for trade negotiations for the U.S. Randall Torgerson, acting deputy administrator, cooperatives, of the Economics, Statistics and Cooperative Service, USDA, will discuss needs of U.S. co-ops in both imports and exports.

Anderson and Beasley travelled to Copenhagen in mid-September to promote the conference among ICA members attending a central committee meeting.

A study tour is planned in conjunction with the conference, Anderson said. World cooperators will be scheduled to visit U.S. co-ops, according to their special interests, by the University Center for Cooperatives in Madison, Wis.

Questions about the trade conference may be directed to Carroll Arnold, League vice president for public and member relations, who is in charge of conference arrangements. Conference headquarters will be the St. Moritz Hotel in New York.



# *PRESS RELEASE...*

**INTERNATIONAL CO-OPERATIVE ALLIANCE 11 UPPER GROSVENOR STREET LONDON W1X 9PA**

NOVEMBER, 1978

INTERNATIONAL CO-OPERATIVE TRADE CONFERENCE

NEW YORK 13-15 NOVEMBER 1978

An International Co-operative Trade Conference organised jointly by the Co-operative League of the USA (CLUSA) and the International Co-operative Alliance through its Agricultural Economic Sub-Committee, met at the World Trade Institute in New York from 13th to 15th November 1978.

The purpose of the Conference was to promote direct trade arrangements between co-operatives, and to initiate action which would increase the share of goods handled by co-operatives all over the world. The total annual turnover of non-USA organisations taking part, amounts to well over 20 billion dollars.

In addition to the 42 delegates from 23 USA organisations, the Conference was attended by 73 participants from 21 countries: Argentina, Canada, Cyprus, Denmark, Egypt, Federal Republic of Germany, Finland, France, Iceland, India, Israel, Italy, Japan, Nigeria, Norway, Philippines, Poland, Singapore, Spain, Sweden and Yugoslavia.

The Conference made the following recommendations:

1. The ICA Economic Sub-Committee was requested to consider setting up branches of its Paris Economic Bureau in other parts of the world; one location, suggested by European co-operative representatives, being an East Coast city in the USA.
2. Participants should continue to work actively to improve co-operative trade, and to support efforts of the Economic Sub-Committee to increase the co-operative share of world trade in the main agricultural products to 25% within the next two years.
3. The Economic Sub-Committee should explore ways and means of co-ordinating supplies of energy and other inputs including equipment and machinery, for the benefit of co-operatives, with a particular view to safeguarding the interests of developing countries.

4. Co-operative trade conferences and/or meetings of a general or specific character, should be held at regular intervals, perhaps once a year. The next general conference should be organised to take place in 1980 on the occasion of the ICA 27th Congress.

Finally the Economic Sub-Committee was asked to publish a report of the Conference and distribute it, together with a questionnaire on trade, to co-operatives all over the world.

Further information can be obtained from:

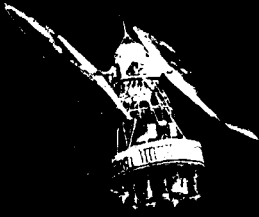
The Co-operative League of the USA,  
1828 L Street Northwest,  
Washington DC 20036, U.S.A.

Tel: (202) 872-0550 Cables CLUSA

International Co-operative Alliance,  
11 Upper Grosvenor Street  
London W1X 9PA, U.K.

Tel: (01) 499 5991 Cables INTERALLIA

BZ/MB  
21.11.78.



# Farm Broadcasters Letter



Letter No. 1883  
November 9, 1978

Dear Farm Broadcaster:

Secretary Bergland in China - A Report.....Crop Report.....Egypt continues as major market for U.S. farm products.....Factors in rice production costs..... Solar grain drying studies in progress.....Tilting the balance of nature.....Grain reserve over a billion bushels.....The global farm.....Societ grain estimate raised.

SECRETARY BERGLAND IN CHINA - A REPORT.....Sec'y of Agri. Bob Bergland left Peking last Thursday for Shanghai and eventual return to the U.S. November 16. The night before he left Peking, Bergland hosted a dinner for PRC Minister of Agriculture Yang Li-Kung. During the dinner, the Secretary said in a toast, "Our discussions have been intense, open, and friendly. We have agreed that the exchange of timely and accurate agricultural statistics is essential for the planning of both countries. We have agreed that there should be exchanges of students, study groups, and scientists, and we have identified areas in which our scientists and technicians can exchange information, ideas, and experiences...for the mutual benefit of our two nations." Minister Yang responded in a toast, "We are of the view that the discussions between our two sides have amply indicated there are broad prospects for development in the field of agricultural trade relations between our two countries."

CROP PRODUCTION REPORT.....The November crop production report shows an increase over the Oct. 1 forecasts for each of the major commodities. Corn production is forecast at a record 6.89 million bushels (175 mil. metric tons), up 1 pct. from the Oct. 1 forecast, 8 pct. above last year's record. Feed grain production (corn, sorghum, oats and barley) is forecast at a record 211 mil. metric tons, 5 pct. more than a year ago. Soybeans, forecast at a record 1.81 mil. bu. (49.3 mil. metric tons) up 1 pct. over last month (3 pct. over last year). All cotton production is forecast at 11 mil. bales, 24 pct. below 1977 but 1 pct. above the Oct. 1 forecast.

COOPERATIVE TRADE CONFERENCE IN NEW YORK.....The Cooperative League of the USDA is holding an International Cooperative Trade Conference in New York Nov. 13-17. The USDA will be involved through the Cooperatives division of its Economics, Statistics, and Cooperatives Service. One purpose of the conference is to promote trade among cooperatives here and abroad through exploratory face to face contacts.

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United States Department of Agriculture Office of Governmental and Public Affairs  
Radio and Television Division Phone (202) 447-5163 Washington D.C. 20250

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CLUSA  
COOPERATIVE  
LEAGUE OF THE  
USA



SUITE 1100 / 1828 L ST., N.W. WASHINGTON, D.C. 20036

# NEWS

Released to Press at Conclu-  
sion of Trade Conference

## COOPERATIVE TRADE CONFERENCE ACHIEVES TANGIBLE RESULTS

(New York City, November 15) --- The first International Cooperative Trade Conference, co-sponsored by the Cooperative League of the U.S.A. (CLUSA) and the Agricultural Economic Subcommittee of the International Cooperative Alliance (ICA), has been termed a "tremendous success" by conference leaders and participants.

Messrs. Jean Doumeng, chairman of the ICA Economic Subcommittee (ESC), and Robert Beasley, vice president of Farmland Industries, co-chairmen of the conference issued the following joint statement at the conclusion of three days of meetings:

"Monday, cooperative leaders from throughout the world began a unique series of formal and informal discussions toward the common goal of expanding cooperatives' share of international marketings.

"At our planning sessions for this conference we recognized that our goals were high, that many obstacles stood between these goals and ultimate success.

(more)



## FIRST ADD

"We are very pleased to report that tangible results have been achieved during our meetings. We have made great progress toward our objective of expanding world cooperative trading.

"Over 140 people from 22 nations, including the United States, came to New York City to begin serious negotiations and to develop meaningful, long-lasting trading relationships among our respective cooperatives and nations. Representatives from 46 foreign cooperatives participated actively in discussions with leaders from 21 U.S. cooperatives.

"Our common bond of cooperative philosophy provided the necessary foundation to proceed with concrete discussions on the importing and exporting of agricultural products, consumer goods and other services.

"At our Wednesday luncheon, it was announced that a European cooperative buyer and a U.S. cooperative seller had begun negotiations that were near completion at the conclusion of our last formal session. The sale would involve up to a half million metric tons of grains, including corn, wheat, and soybeans.

"Even though this sale is not yet final, it is representative of the serious negotiations that have taken place on products as diverse as grains, fruits and vegetables, farm machinery, chemicals, petroleum, non-food items such as furniture, processed meats, and other items.

Delegates stated publicly that the conference exceeded their expectations. Further, they have unanimously endorsed a proposal by the ESC to further facilitate world trade among cooperatives

(More)

## SECOND ADD

by establishing new branch offices of the Economic subcommittee which already has a bureau in Paris. European cooperatives suggested one branch be located on the East Coast of the United States.

"This action would facilitate the exchange of information among cooperatives of the world who are wishing to sell or buy products.

Conference participants further endorsed the proposal that meetings such as the one just concluded should be held on a regular basis. It was proposed that the next such conference be held in conjunction with the International Cooperative Alliance Congress, scheduled to meet in Moscow, U.S.S.R. in 1980.

"In our opinion, great progress has been made in a very brief time toward expanding the impact of cooperatives in world trading. We have a goal of achieving a 25 percent share of world trading in two years. To meet that goal, we must dedicate ourselves to action and efficiency. Positive trading results await our cooperative members."

Countries represented include: Argentina, Canada, Cyprus, Denmark, Egypt, Federal Republic of Germany, Finland, France, Iceland, India, Israel, Italy, Japan, Nigeria, Norway, Philippines, Poland, Singapore, Spain, Sweden, Yugoslavia and the United States.

CLUSA is a national confederation of cooperatives of all kinds in the U.S. and includes in its membership those involved in the fields of farm supply and marketing, housing, consumer goods and services, group health, rural electric and telephone, student, pre-school, insurance and others.

The ICA is the world cooperative organization and represents members in about 65 countries.

# COMMODITY NEWS SERVICES, INC.

FOUR WORLD TRADE CENTER  
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NEW YORK, NEW YORK 10048  
(212) 432-5660, TELEX 129-227

## EXPECTED 500,000-TONNE U.S. CO-OP EXPORT SALE NOT YET COMPLETED

NEW YORK—NOV. 16—CNS—AN INTERNATIONAL CONFERENCE OF FARM CO-OPERATIVES ENDED HERE WEDNESDAY AFTERNOON WITH OFFICIALS SAYING A PLANNED SALE BY A U.S. CO-OP TO A EUROPEAN CO-OP INVOLVING UP TO 500,000 TONNES OF WHEAT, CORN AND SOYBEANS HAD NOT BEEN FINALIZED.

OFFICIALS HAD TOLD CNS DETAILS OF THE SALE WERE EXPECTED TO BE RELEASED AT THE END OF THE CONFERENCE. HOWEVER, THE CLOSING COMMUNIQUE STATED: "EVEN THOUGH THIS SALE IS NOT YET FINAL, IT IS REPRESENTATIVE OF THE SERIOUS NEGOTIATIONS THAT HAVE TAKEN PLACE ON PRODUCTS AS DIVERSE AS GRAINS, FRUITS AND VEGETABLES, FARM MACHINERY (AND) PROCESSED MEATS."

CNS LEARNED THE EXPORT DEAL BEING NEGOTIATED INVOLVES MAINLY WHEAT AND CORN.

THE CONFERENCE, CO-SPONSORED BY THE COOPERATIVE LEAGUE OF THE U.S.A. AND THE AGRICULTURAL ECONOMIC SUBCOMMITTEE OF THE INTERNATIONAL COOPERATIVE ALLIANCE, WAS TERMED A "TREMENDOUS SUCCESS" BY CONFERENCE LEADERS.

THE COMMUNIQUE SAID THE 140 PARTICIPANTS FROM 22 NATIONS SET A GOAL OF ACHIEVING A 25 PCT SHARE OF WORLD TRADING IN TWO YEARS. END#

## U.S. CO-OP TO SELL EUROPEAN CO-OP UP TO 500,000 TONNES GRAINS, BEANS

NEW YORK—NOV. 15—CNS—A U.S. FARM COOPERATIVE IS CLOSE TO FINALIZING PLANS TO SELL A EUROPEAN CO-OP UP TO 500,000 TONNES OF U.S. WHEAT, CORN AND SOYBEANS, CNS LEARNED TODAY.

INFORMED SOURCES SAID DETAILS OF THE PURCHASE HAVE NOT BEEN FINALIZED, BUT SHOULD BE COMPLETED LATER TODAY.

THE DEAL IS BEING MADE AT A 22-NATION CONFERENCE HERE OF U.S. AND FOREIGN CO-OP REPRESENTATIVES. END.

COMMODITY NEWS SERVICES, INC.

NEW YORK—NOV. 16—CNS—SEVERAL U.S. COOPERATIVES HAVE COMPLETED ARRANGEMENTS TO SELL A EUROPEAN CO-OP UP TO 500,000 TONNES OF WHEAT, CORN AND SOYBEANS, SOURCES TOLD CNS.

ALTHOUGH DETAILS OF THE SALE ARE BEING WITHHELD, IT WAS LEARNED THE TRANSACTION CONSISTS OF CORN, SOYBEANS AND WHEAT, CORN IS THE LARGEST PORTION OF THE SALE, WHILE WHEAT IS THE SMALLEST, THE SOURCES SAID. SEVERAL CO-OPS JOINED IN THE SOYBEAN SALE, WHICH IS THE SECOND-LARGEST PORTION, THEY SAID.

SOURCES BELIEVE THE SALE WAS DONE ON A C AND F OR CIF BASIS.

THE SELLERS DO NOT WANT TO PUBLICIZE THE SALE UNTIL THE NECESSARY FREIGHT ARRANGEMENTS ARE COMPLETED, THEY ADDED.

THE PRODUCTS WILL BE LOADED OUT OF THE U.S. GULF, "PROBABLY OUT OF THE FARMERS EXPORT ELEVATOR," ONE SOURCE SAID.

SOURCES SAID THE MAIN FACTOR LEADING TO THE SALE WAS THE FOREIGN CO-OPS' DESIRE TO OBTAIN HIGH-QUALITY GRAIN.

THEY SAID FOREIGN BUYERS HAVE BECOME CONCERNED BY THE QUALITY OF GRAIN THEY HAVE BEEN RECEIVING.

THEIR FEELING WAS THE U.S. CO-OPS WERE ABLE TO "GUARANTEE QUALITY AND WERE MORE FLEXIBLE ON SPECIFICATIONS," ONE SOURCE SAID.

THE SALE WAS MADE DURING AN INTERNATIONAL CONFERENCE OF FARM CO-OPERATIVES HERE THAT ENDED WEDNESDAY AND WAS SPONSORED BY THE COOPERATIVE LEAGUE OF THE U.S.A. AND THE INTERNATIONAL COOPERATIVE ALLIANCE.

AN ORGANIZER FOR THE CONFERENCE SAID HE WAS "AMAZED" BY THE NUMBER OF TOP EXECUTIVES WHO ATTENDED. HE SAID THIS WAS A MAJOR REASON THAT DEALS COULD BE MADE ON THE SPOT.

ABOUT 150 REPRESENTATIVES OF CO-OPS FROM 22 NATIONS WERE AT THE CONFERENCE. END#

# COOPERATIVE NEWS SERVICE

A SERVICE OF THE COOPERATIVE LEAGUE OF THE USA



1828 L STREET, NORTHWEST, WASHINGTON, D.C. 20036

November 17, 1978

Contact: Eugene R. Clifford  
202 / 872-0550

## CO-OP TRADE CONFERENCE CALLED "TREMENDOUS SUCCESS"

NEW YORK, N.Y. /CNS/ -- The first International Cooperative Trade Conference, held in the One World Trade Center here Nov. 13-15, has been described as a "tremendous success" by conference leaders and participants. The pioneering event was sponsored by the Cooperative League of the USA and the International Cooperative Alliance with the support of the U. S. Department of Agriculture and other organizations.

The conference was called "unique" by Jean Doumeng, chairman of the ICA Economic subcommittee, and Robert Beasley, vice president of Farmland Industries, who served as co-chairmen. In a joint statement they said:

"Here cooperative leaders from throughout the world began a unique series of formal and informal discussions toward the common goal of expanding cooperatives' share of international marketings. We recognized that our goals were high and that many obstacles stood between us and success, but we are pleased to report that tangible results have been achieved. We have made great progress toward our objective of expanding world cooperative trading."

More than 140 people, representing 23 nations including the United States, were at the conference to begin serious negotiations and to develop meaningful, long-lasting trading relationships. Representatives of 46 foreign cooperatives joined in the trade discussions with leaders from 21 U.S. cooperatives.

"Our common bond of cooperative philosophy provided the necessary foundation for concrete discussions on importing and exporting," the chairmen said. They announced that one specific trade nearing conclusion during the conference would involve up to a half-million metric tons of grains, including corn, wheat and soybeans.

/ more /

CO-OP TRADE CONFERENCE CALLED "TREMENDOUS SUCCESS" (cont.)

"Even though this sale is not yet final," they said, "it is representative of the serious negotiations that have taken place on products as diverse as grains, tires, chemicals, petroleum, plastics and many others."

Delegates to the conference indicated it had exceeded their expectations. They unanimously endorsed a proposal by the ICA's Economic subcommittee which would facilitate world trade among co-ops by establishing a branch office of the committee on the east coast of the U.S. The committee said exact details of the proposal will be announced later. It is expected to aid the exchange of information among cooperatives around the world interested in buying or selling.

The participants also endorsed a proposal that similar trade conferences should be held annually. It was suggested that the next event should be arranged in conjunction with the ICA Congress to be held in Moscow in 1980.

"In our opinion, great progress has been made in a very brief time toward expanding the impact of cooperatives on world trade," said Doumeng and Beasley in their joint statement. "We have a goal of achieving a 25 percent share of world trading in two years. To meet that goal, we must dedicate ourselves to action and efficiency. Positive trading results await our cooperative members."

A report on the conference will be published and distributed with a questionnaire on trade to cooperatives around the world.

Secretary of Agriculture Bob Bergland was unable to be present, but did appear in a television tape presentation to tell the delegates that "what you have done and are doing is recognized at the highest levels of the U.S. government."

Bergland noted that farm co-ops in this country are not new to foreign trade, but today they "make only slightly more than nine percent of our total agricultural export sales, about \$2-billion."

He also pointed to the bond that is growing stronger between farmers and consumers, and said that new legislation to establish a National Consumer Cooperative Bank will help this process. "I pledge to commit the resources of the Department of Agriculture to increase world trade among farmer and consumer cooperatives." -- R

# FARMLAND NEWS

Published by Farmland Industries, Inc.

November 30, 1978

## Co-op trading conference creates new expectations

By **FRANK WHITSITT**  
Editor

**A FIRST-EVER** international cooperative trade conference that emphasized action rather than talk drew 115 persons from 22 countries to New York City in mid-November.

There were reports of actual trades and agreements to trade. One report told of initiation of a deal whereby U.S. cooperatives, through Farmers Export Company, would sell 20 million bushels of corn, soybeans and wheat to French cooperative interests over the next 12 months.

Representatives of a struggling fishermen's co-op in Alaska reportedly had made a conference sale that could assure its future. Danish and German cooperators reached accord on pooling twine purchases.

Co-op traders were advised to travel far in pursuit of trade — "not merely write letters." Optimism was the order of the day. Skeptics were out of place. Delegates were cheered on in statements to the conference from Robert Strauss, chief U.S. trade negotiator at Geneva, and USDA Secretary Bob Bergland.

The euphoric mood was summed up by Robert L. Beasley, a vice president of Farmland Industries who was co-chairman of the conference.

"We may have started something big here," Beasley said before adjourning the conference. "Ten or 20 years from now, when

we're on the way to an international cooperative trade conference on the scope of the biggest now being held, those of us who were here will look back with great excitement over being in on that first step."

**SPONSORED** by the Cooperative League of the USA and the International Cooperative Alliance, the conference was described by Glenn Anderson as "a milestone of world cooperation." Anderson, president of the Cooperative League, said the co-ops had a chance to bring benefits to their members through "avoiding the multinationals and other intermediaries who have added unnecessary costs."

Delegates represented cooperatives in Canada, Denmark, West Germany, Finland, France, Ghana, Iceland, India, Israel, Italy, Japan, Nigeria, Norway, Pakistan, Panama, Philippines, Poland, Spain, Sweden, Turkey, Yugoslavia and the United States.

The 115 delegates, 42 of them from the U.S., brought their buy-sell lists with them — everything, as Beasley put it, "from diapers to coffins." In the main, the U.S. cooperatives were there only to sell. Those from around the world were more buy-sell in purpose. Some, such as DLG of Denmark, had nothing to export, but a varied import list. DLG's ranged from cottonseed and sunflower prod-

ucts to anhydrous ammonia.

Luis Lizares of the Sugar Cooperative Development Institute of the Philippines said he spoke for all the cane growers in that nation. "We need fertilizer, urea, ammonium sulfate," he said. "Our doors are open to any product you want to market in the Philippines."

India came more as exporter, Poland as an exporter only, while French, Yugoslavia and the giant Scandinavian consumer cooperative, Kooperativa Forbundet, came with export-import lists that were pretty closely balanced at least in number of items.

Speaking for U.S. cooperatives, Randall Torgerson of the USDA's Economics, Statistics and Cooperatives Service, said U.S. cooperative export activity is less than half its potential. He said one drawback to more direct sales is lack of expertise in chartering ships and in assuming responsibility for charges, insurance and freight. (CIF).

CIF sales, he said, enable the seller to net margins on the vessel, build a reputation for quality and provide greater flexibility of operations.

The American preoccupation with selling was noted in a dinner speech by Gene Swackhamer, president of the Farm Credit Banks of Baltimore. He referred to colonial America's emphasis on agricultural exports and said that "once again we realize our dependency on agricultural exports. But if we want to sell more feed grains, cotton and so forth, we must be more open-minded on importing cheeses, wines and specialty foods."

Foreign delegates applauded the remark.

Buoyed by cooperative ties, some delegates had come to the conference with authority to make trades. The conference format was set up with that in mind — trade talk rather than just talk. Still, the delegates were realists. In an area set aside as a trading lounge in the St. Moritz Hotel, Olof Karlander of the Federation of Swedish Farmers lit a cigarillo and smiled.

"Yes, yes," he said, "we love each other but we can't trade just on that basis. We must look at the costs more than ideology. Is cooperative trade more efficient than multinational trade? There you have it."

Martin Soderstrom, also of Sweden, pursued that thought.

Lack of cooperative resources on an international scale, he said, makes trade difficult. One way to overcome the problems, he added, would be for U.S. cooperatives "to concentrate their supply power and for us to concentrate our demand."

With such arrangements, he went on, loyalty on both sides would be essential. "With the disadvantages we face," he said, "there's no way our cooperation could work with inconsistency."

Martin Nielsen of DLG in Denmark also stressed the "economy of scale" problem facing small buyers who dominated the conference. In remarks to delegates, he made clear that Scandinavian interests were looking to Farmland Industries as an efficiency model. His hopes for business with Farmland stem from DLG's having become a member of Farmland and the merger of Far-Mar-Co into Farmland.

Nielsen described the transportation problem. His cooperative pays \$25 a ton for shipping because of small cargoes while larger purchasers pay only \$15 a ton. "The way out would be to work out deals with our sister cooperatives and let the vessel (with a larger, more efficient cargo) stop at different ports."

**REFERRING TO** his cooperative's investment of \$100,000 in Farmland stock and intent to purchase fertilizer from it, Nielsen said that goal has been deferred by economics. The cooperative recently signed, he said, a 5-year contract with the Russians to supply them ammonia. "We used to buy fertilizer from the U.S.," he said, "but now Russian ships with ammonia go right by on their way to the U.S."

Karlander, following Nielsen to the podium, said his cooperative also was looking to Farmland. "It's much easier now to go through international organizations," he said, "because they pull together

## Farm Wives

Among supporters of the co-op trade conference were the Concerned Farm Wives of Andale, Kan., who acted as hostesses and expeditors. The women have also made trips to Washington in behalf of farmers. They took to New York an exhibit of products and facilities of their local co-op. The women are Jan Broadhurst, Donna Harper, Marilyn Woodard and Judy Partington.

interests of other small countries and ship in bigger ships. But in the 1980s we look to new contacts in the U.S. We see the aim of Farmland to go into international trade and we are grateful to see it."

Karlander endorsed the call of Jean Doumeng, chairman of the ICA's economic subcommittee and an internationally known French co-op trader, for more cooperation among European cooperatives. Doumeng, who served with Beasley as co-chairmen of the conference, has been publicized as a Communist millionaire who travels by private jet to do business around the world.

Doumeng pushed for the big grain deal between U.S. and French cooperatives at the conference. Jim Lapine, director of marketing for Farmers Export, who was at the conference, expressed hope that a precedent had been established for a trade relationship "beneficial to both of us." He said further negotiations were required, however.

Rudolf Mazuran of the Cooperative League of Yugoslavia and Andrzej Kaszynski of the Central Union of Agricultural Cooperatives of Poland also praised Doumeng's call for establishment of "international cooperative exchanges," or trade offices, in various lands to facilitate trade be-

tween co-ops. Doumeng said such offices have been set up on a trial basis in Malta and Lebanon and each has "achieved a certain number of deals."

With credit crucial to world trade, Doumeng said mutual credit banks and insurance cooperatives should play a bigger role. "It is not natural that their resources are not, to a larger degree, servicing the international transactions of the production cooperatives," he said. "Often, substantial sums originating from the farmers are placed by our banks on the financial market and are finally used to reinforce our competitors' means."

French interests wondered if U.S. Banks for Cooperatives would get authority from the Farm Credit Administration to help finance export ventures. Swackhamer expressed belief that Congress would enact such authority.

Conferees approved the economic subcommittee's call for such a trade conference every year, the next to be at the ICA Congress in 1980, and to establish branches of the ICA's economic bureau in Paris in other areas of the world. Some European cooperatives expressed hope that one would be in New York.

A veteran observer of the cooperative movement, Dr. E. O. Kraemer, former economics professor in Hawaii and California, attended the meeting to obtain data for a book comparing U.S. and European co-ops. Cooperative growth in the future, he said, is most likely to be on the international level linking producers and consumers.

"This could be the beginning of something big," he said of the conference. "Before they can trade they must know each other. That's happening here."

Lizares of the Philippines summed up the conference thus: "A small step for man; a great one for cooperatives."



Cooperative League  
of the USA  
"common ground for cooperatives"

1828 L Street, Northwest, Washington, D.C. 20036

**news release**

September 7,  
1978

Contact: E. Carroll Arnold ..... 202/872-0550

December 5, 1978

TO: Farmer/Co-op News  
Trade Conference Participants  
CLUSA Active Members/Prospects

CO-OP CONFERENCE MAY BOOST TRADE

WASHINGTON --- When the final results are known, the recent International Cooperative Trade Conference held in New York may prove to be one of the biggest boosts ever for cooperative trade around the world.

Glenn M. Anderson, president of the Cooperative League of the U.S.A. (CLUSA), conference co-sponsor along with the International Cooperative Alliance (ICA), predicts the trade conference will have the effect of significantly increasing cooperative trade and market shares in the next few years.

"This conference is the first step CLUSA has taken to realize increased cooperative to cooperative trading," Anderson said. "This is a long journey, and there will be a number of other steps we will take to build on this successful start."

Robert Beasley, vice president of Farmland Industries in Kansas City, was conference co-chairman along with Jean Doumeng of France.

While cooperative traders are understandably tight-lipped about just what took place in New York in terms of specific accomplishments, there are several known results.

(more)

FIRST ADD

One is a sale that will involve up to a half million metric tons of grains, including corn, wheat, and soybeans, by a U.S. cooperative to a European cooperative buyer. Another involves the expansion to Europe of a market for salmon by a U.S. fishing cooperative.

In addition, a U.S. consumer goods cooperative expects to finalize the sale of co-op label food products to Iceland as a result of the conference.

CLUSA has been informed that another of its interregional cooperative members in the U.S. will begin to participate in a twine industry market information exchange that could well lead to future trading relationships.

"In contrast with meetings of this kind in the past, this trade conference went beyond rhetoric to realization of tangible results," according to E. Carroll Arnold, CLUSA vice president and conference manager. About 140 representatives of 46 foreign cooperatives participated in discussions with traders from 21 U.S. cooperatives during the November 13-15 conference in New York. In all, 22 countries met to expand world cooperative trade and develop meaningful, long-lasting trading relationships.

Delegates to the conference endorsed a proposal by the Economic Subcommittee of the ICA Agricultural Committee to establish a branch office on the U.S. East Coast to facilitate the exchange of information among cooperatives of the world who want to sell or buy products. Arnold cautioned that U.S. cooperatives will need to be sounded out on this matter more fully before action is taken, however.

Participants also endorsed a proposal that meetings such as the one just concluded should be held on a regular basis, with the next one proposed for 1980.

Arnold said participants will be queried soon to determine other actual results of the conference and the outlook for future meetings of this nature. This information will be included in the final conference report due by March 1, 1979. Copies of the report may be purchased from CLUSA.



# COOPERATIVE BUILDER

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DELEGATES from cooperatives in India (left side of table) discuss trade with a Nigerian (center) and representatives of Universal Cooperatives, Bloomington (right).

# CO-OP to CO-OP TALKING TRADE

By Carol James

To a 107-story spire of glass and steel, delegations of every color came from every continent. Their subject was trade. Specifically, co-op to co-op trade. On a global basis.

It was the history-making International Cooperative Trade Conference, Nov. 13-15, at the World Trade Center in New York City.

For the first time, farmers, workers and consumers of the world sent leaders to explore how they could trade with each other directly through cooperatives.

They represented people from the paddies of Asia to the forests of Sweden. Their wares ranged from Eskimo eiderdown and Polish goose livers to Iowa corn and soybeans.

In another century, this meeting on Manhattan Island would have been called a "powwow."

This trade summit conference at one of this century's most impressive architectural monuments was still a powwow. Arranging it took years of effort by the Cooperative League of the USA, the Economic Subcommittee of the International Cooperative Alliance and the U.S. Department of Agriculture.

Assembled from 23 nations were 140 chiefs and near-chiefs of their peoples.

Cooperatives are tribes—people joined together for a common purpose. For most cooperatives, that purpose throughout their less than a century-long history has been to be hunters and gatherers for their members.

Hunting tribes like Midland Cooperatives have searched for precious commodities—oil as fuel for their fires, fertilizers to make plentiful their crops, tools to cultivate them and tires to haul them to market.

Gatherers like Grain Terminal Assn. have collected the harvests, pooling grains for storage, cleaning and eventual milling into flour for baking into breads.

Despite scarcities and surpluses, cooperative hunting and gathering societies largely have kept to themselves. That may be changing. Their mutual needs may bring them closer together.

From Nigeria to Denmark to Ontario to California

to Japan, members of cooperatives are beating a drum. They want lower costs and more stable supplies of quality goods necessary for their livelihoods.

Most cooperatives are still primitive in the ways of foreign trade. They seek to discover if they can traverse oceans and understand each others' ways and tongues. If the world becomes their dominion, they may be able to trade with each other tribe-to-tribe.

In New York last month, there may have dawned a new millennium for cooperatives.

Cooperative chieftains meeting in New York eyed the problems very cautiously. Entering into world trade is fraught with risks, which have in the past kept U.S. cooperatives from large-scale involvement in the international marketplace. Much talking went on at the powwow, but little actual trading.

What it would take for U.S. cooperatives to begin to trade grain, for example, in any great volume on the international market, is enormous investment in port facilities, highly-trained personnel, oceanic carriers and credit. Farmer-members have not pushed their cooperatives into this field.

"We don't want to because we haven't had to. The truth is, we have been able to get along without buckling down to nuts and bolts of why we have got to do it," says C. William Swank, an agricultural economist and executive vice president of the Ohio Agricultural Marketing Assn.

Leadership will have to come from top cooperative executives. "We need great leadership...but leaders have little to gain and a great deal of risk in saying 'Here is what we can and should do,'" he says.

"We (co-ops) are neophytes. Internationally, in our basic commodities, we have gathered but we have never processed and sold."

U.S. farmers traditionally have said to their cooperatives, "I produce it, you sell it."

"I go around the country saying to farmers, 'Don't bitch.' It is non-productive. I don't want to hear it if you don't want to do something about it," says Swank.

Farmers have wanted the freedom to make decisions about what and how much to plant, where and when

to sell at their community level. "If you want freedom, don't bitch. But making money is in conflict with freedom. You can't have freedom and market power at the same time, especially in agriculture."

Americans live in a negotiated-price economy, he explains. People bargain for wages for their work. "Witness the school teachers' unions, et cetera. But who is the last to negotiate a price? Farmers....In the bulk of agriculture, it has not been tried. The farmer says to the co-op, 'You sell it. You guarantee a market,'" says Swank.

For the cooperative, selling the farmers' product has usually meant selling it to another company—often a multinational like Cargill or Continental Grain—for further processing and marketing. By doing so, cooperatives depend upon others to some degree to determine price.

Of all the feed grains sold to foreign countries, cooperatives handled only \$490 million, or 8 percent, in 1976, says Randall Torgerson, deputy administrator of the Economics, Statistics and Cooperatives Service for USDA.

"It was 70 percent for fresh citrus, 40 percent for nuts and 30 percent for processed fruit. These percentages indicate cooperatives are relatively strong in exports of branded, packaged commodities, and less important in exports of commodities sold in bulk and in large quantities."

Some of the international delegates assembled for the trade conference came from cash-poor, third-world nations. Cooperative League of the USA President Glenn Anderson told them, "We understand that many of you may not want to buy our oranges, but we understand why you would want to buy our grain."

It is in basic commodities like feed grains where U.S. cooperatives could develop large trade potential with cooperatives abroad.

In a taped message for delegates, Secretary of Agriculture Bob Bergland said: "Today, U.S. co-ops make only slightly more than 9 percent of our total agricultural export sales—about \$2 billion.

(continued on page 3)

"A 9-percent share of total exports can be the basis upon which to build greater direct sales, sales that will generate more competition and encourage efficiency. I see this as the real potential of co-op to co-op trading."

Both Bergland and Ambassador Robert Strauss noted in their messages that direct trading among cooperatives aids President Carter's commitment to "encouraging more competition in the marketing of farm products within the United States and to nations of the world."

Says Olof Karlander of the Federation of Swedish Farmers, "We believe that the best starting point for fostering cooperation should be in the field of purchasing feeding products."

European cooperatives also have been reluctant to take on risks involved in trading with U.S. cooperatives. What small quantities they have imported have come from multinational corporations because they have been more accessible.

A major hurdle for European Community cooperatives to overcome is fostering better relations among themselves; also "no easy task," in Karlander's words. Better unloading and transporting facilities in the European Community would require heavy investments. "Efforts in Europe have not been very good," he says.

U.S. cooperatives would need to follow a similar path for improving exporting capabilities. "We believe that you have a will and an aim of going more into international trade and we are grateful for this. That is another condition of coming closer to each other."

A third factor Karlander notes in improving international trade in feed products would be to bring South American nations and cooperatives into these discussions.

Through world cooperatives working together to improve trade, "we hope that we will find ourselves in business that is more efficient than international corporations," he says.

Economists describe the situation existing in international grain and oilseed trading as "imperfect competition," says Michael Cook, professor of agricultural economics at Texas A&M University.

What this means is that a few companies dominate the marketplace, which implies there are both producer and consumer economic benefits to be gained by increasing competition, as President Carter suggests.

There is international interest in minimizing the impact of multinational grain corporations. Delegates from France repeatedly referred to this goal.

Through direct agreements with U.S. cooperatives for the purchase of feed grains, they hope eventually to provide more stable prices for French consumers. Such arrangements would involve guaranteed-price contracts, similar to a seasonal average concept.

Addressing assembled delegates, Jean Doumeng of France said: "We could organize grain and protein supplies between the U.S. cooperatives and the European Community, set up forwarding and receiving terminals, organize



**UNIVERSAL COOPERATIVES** representatives Orv Paske (left) and Don Lefever discuss a joint purchase of sisal or twine by U.S., Canadian and European co-ops with similar importing needs. Such intercooperative arrangements point up a growing international interdependence among coops.



transport and finance, possibly plan a program with prices to be fixed every month and a guarantee for the producers to deliver certain quantities to the consumers....

"Our ultimate aim is to ensure a non-speculative sector which must avoid discrimination in trade and make easier access for third world agricultural cooperatives to markets and better means of production."

During the conference, French cooperatives entered into serious negotiations with Farmers Export Co., a major grain exporting cooperative in Louisiana, for the purchase of 60,000 to 70,000 metric tons of corn a month.

They also expressed a willingness to work with U.S. cooperatives in financing export facilities, possibly using equipment made by French cooperatives.

European cooperatives look to U.S. co-ops to provide better quality grains than they have been getting from multinational companies, says Ed Jaenke, a Washington-based cooperative financial consultant and former governor of the Farm Credit Administration.

"Five years from now we will see the results of these first feeling, groping discussions that are going on now at this conference in big ways....If everything went perfectly, I think co-ops will begin within three years to provide more effective competition to international trading companies."

Cooperatives are only now beginning to be ready to enter the export market in a major way, he says. It is only in the last eight to 10 years that grain cooperatives have owned export facilities.

"If everything went right," Jaenke says cooperatives could have as large a market share of grain exports as Cargill or Continental Grain (about 25 percent) within 10 years.



Jean Doumeng

Texas A&M Professor Cook is completing a study on possibilities for increasing trade among cooperatives on an international basis. He visited 20 countries, talked with leaders of 42 major cooperatives that represent 10,000 local and regional cooperatives, interviewed 21 government ministers and worked with 11 state trading organizations.

"It is very important that we realize that we are living in an increasingly interdependent international atmosphere. That isn't going to go backwards; it is going to keep getting more interdependent," says Cook.

"Things are going to become more complex before they become easier."

Cook described three types of inter-cooperative arrangements, import-import, in which cooperatives in countries with similar importing needs get together; export-export, and export-import.

Import-import arrangements exist among some cooperatives in European countries already.

During the trade conference, the possibility of putting this type of import-import arrangement together among U.S., Canadian and European cooperatives was discussed for purchasing of sisal or twine. Coordination of this project is being undertaken by Universal Cooperatives, Bloomington, of which Midland Cooperatives is a member-owner and purchaser of twine.

Cook found no existing examples of export-export arrangements among cooperatives internationally. An example would be U.S., Argentinian and Canadian cooperatives joining together to market grain.

A number of export-import agreements exist between cooperatives. Japanese cooperatives have participated in a number of these arrangements with cooperatives throughout the world.

A possible step toward facilitating trade agreements would be to establish a jointly-owned marketing agency to match buyers with sellers and share information.

A much more complex step would be to establish a multinational trading cooperative.

"A word of caution here," Cook said. "This area is so complex and risky with respect to financing, currency and domestic trade policies....We would have to study other big companies...but something that unique would be a

greater challenge to put together than a private multinational."

Delegates to the international trade conference did endorse, however, a proposal that the Economic Subcommittee of the International Cooperative Alliance establish a branch office of the committee on the East Coast of the United States. The office would aid exchange of information among co-ops interested in trade. Details will be announced later.

Cook's and Jaenke's optimism was not shared by all U.S. participants in the conference, a fact that was noted by several representatives of cooperatives from abroad. Many U.S. cooperative officials attended the meeting to make a few initial contacts and "to eyeball" the situation, as one major grain cooperative representative said.

Twice as many foreign cooperatives were represented at the International Cooperative Trade Conference as there were U.S. cooperatives in attendance. Some major marketing cooperatives were almost conspicuously absent.

Denmark's Mogens Lillelund made what was perhaps an oblique reference to that fact by saying, "It is difficult to teach cooperators not to stay home. You cannot do business and stay at home."

Not all American farmers favor expanding world trade.

"Trade is a two-way proposition. If we want to sell more feed grains, soybeans and corn, we must be open-minded on cheese, cotton and wines," says Gene Swackhamer, president of the Farm Credit Banks of Baltimore, Md.

The Farm Credit Banks will support worldwide cooperative trade expansion.

"The Bank for Cooperatives expects to fulfill a leading banking role in assisting borrowers with lines of credit and other aspects of trade relations," he says.

"We are an agricultural export dependent nation. Exportation of food and fiber and other goods gives us our competitive advantage."

Recent figures released by USDA forecast value of agricultural exports to be \$29 billion in fiscal 1979, up 6 percent from year-earlier levels. Agricultural imports would be \$14 billion, giving the United States a record surplus of agricultural trade of almost \$15 billion.

The United States exports 50 to 60 percent of its wheat, 40 to 50 percent of its soybeans and a fourth of its feed grains.

"Cooperatives are being urged by their members to become more active in achieving trade expansion. Cooperatives are responding, but know they must be able to be a competitive force," says Swackhamer.

Huge barriers exist for U.S. cooperatives to overcome in undertaking international marketing to any great degree.

B. J. O'Dowd, president of Farmers Grain Dealers Assn., Des Moines, who is a member of the Farmers Export Co. board and was a participant in the trade conference, lists the following as major roadblocks:

- Price—farmers want the highest price possible, consumers the lowest price possible;
  - Inadequate facilities exist for grain loadout;
  - Most cooperatives have little knowledge of oceanic freight;
  - Foreign currency exchange rates pose big problems;
  - Complex financial arrangements would be necessary, involving financing, negotiation of repayment terms, provision of insurance and documentation.
- "But," says O'Dowd, "everybody has to start someplace and there is only

one way to go—up." With that assessment, cooperative cheiftrains attending the international trade powwow agreed.

CO-OP TRADE CONFERENCE MAY HAVE LONG EFFECT

WASHINGTON, D.C. /CNS/ -- When the final results are known, the recent international Cooperative Trade Conference held in New York may prove to be one of the biggest boosts ever for cooperative trade around the world.

Glenn M. Anderson, president of the Cooperative League of the USA (CLUSA), conference sponsor along with the International Cooperative Alliance, predicts the conference will significantly increase cooperative trade and market shares in the next few years.

"This is the first important step CLUSA has taken to stimulate increased cooperative-to-cooperative trading," Anderson said. "This will be a long journey, and there are a number of other steps that must build on this successful start."

Robert Beasley, vice president of Farmland Industries, Kansas City, Mo., was conference co-chairman with Jean Doumeng of France. Both are enthusiastic about specific trading developments that are emerging from the conference.

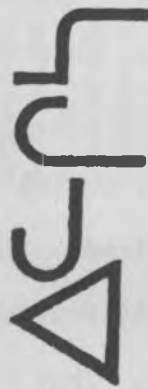
While cooperative traders are understandably tight-lipped about just what took place in New York in terms of specific accomplishments, there are several known results. One is a sale that will involve up to a half-million metric tons of grains by a U.S. cooperative to a European co-op buyer. Another involves opening of European markets for salmon from a U.S. fishing cooperative. A U.S. consumer goods co-op expects to start selling co-op label food products to Iceland. An interregional U.S. co-op will participate in a twine industry information exchange that may well lead to future trading relationships.

"In contrast with meetings of this kind in the past, this conference went beyond rhetoric to tangible results," said E. Carroll Arnold, CLUSA vice president and conference manager.

About 140 representatives of 46 foreign and 21 U.S. co-ops, coming from 22 countries, joined in this first effort to expand world cooperative trade. The delegates endorsed a proposal to establish a branch office of the ICA Agricultural committee on the U.S. east coast to facilitate future trading contacts. They also agreed that future sessions should be held on a regular basis. -- CA



# Cooperative Builder, Dec. 14, 1978



## 'Togetherness'

### Eskimo co-ops' help preserve native art

Story and photo  
by Carol James

With winter winds whipping and temperatures at near 50 below zero, Eskimos of Arctic Quebec fill some of their long winter hours making the smooth soapstone carvings for which they are famous.

For 11 years, the Eskimos who live in 10 communities on the east coast of Hudson Bay have been marketing their works of art through their own cooperative, whose name in their native tongue means "Togetherness."

"Each village has a co-op store that handles everything from food to Skidoo (snowmobile) parts," says Suzette L'Abbe, sales representative for the Togetherness cooperatives. L'Abbe works out of the Montreal headquarters of the Eskimo regional cooperative, La Federation des Cooperatives du Nouveau Quebec.

Major supplies are sealed off to each village once a year, during the Arctic summer. Therefore, prices on many of the staple supplies in the stores change only once a year—which often means a real jolt when the new stocks come in, says L'Abbe. Fresh food supplies are airlifted in and some goods are mailed parcel post during fall, winter and spring months.

Some of the villages are accessible by telephone via satellite. Others must be reached by short wave radio.

The Arctic Eskimos were a nomadic people until 1963, when they sold mineral rights to their lands and settled permanently in villages.

"Consequently, the young ones have never lived in the old way," says L'Abbe. Most villages have schools and children now receive sixth-grade educations. In addition, the regional cooperative has an extensive training department, which offers classes in Eskimo language and culture as well as in modern bookkeeping and accounting techniques.

Recently a large collection of Eskimo carvings has been assembled by the government. The collection travels from village to village so that Arctic art forms are not lost.

About 5,000 to 6,000 Eskimos produce carvings although only several hundred produce work regularly. Carving is still regarded as a leisure time activity. The cooperative markets about 32,000 pieces a year. Most of the sculptures are carved in soapstone, or steatite, which ranges in color from gray to blue-green.

The artist determines what price should be charged for a piece, which he or she then turns over to the cooperative for marketing.

When the Togetherness cooperatives were formed 11 years ago, only \$75,000 worth of sculptures were sold in the first year. Now sales of the art works account



**ESKIMO CARVINGS** were on display in New York City recently during the International Cooperative Trade Conference sponsored by the Cooperative League of the USA and the International Cooperative Alliance. The sculptures, marketed by cooperatives in Arctic Quebec, usually are of soapstone, but sometimes are done in bone or walrus tusk (as in the knife held by the center figure).

for \$2 million (Canadian) of the co-op's gift shops. It has no catalog and does not handle mail-order business.

Interest has been strong in the Eskimo carvings throughout Canada traditionally. But now more sales occur in the United States and in Europe, where the cooperative has placed sculptures in Italy, Germany, Switzerland, Holland and Austria.

Although the Eskimos' lifestyle has changed dramatically in the 20th century, they are being assimilated into the dominant culture of Canada at a late enough time so that there is an appreciation for their ethnic heritage.

"We are going to great pains to try to keep aware of what that heritage is," says L'Abbe.

\$8 million annual sales. Current exchange rates place the Canadian dollar about 15 percent below the U.S. dollar.

If the Eskimos worked through a broker rather than having a cooperative through which to market their art, they would have to pay at least 10 percent of their sales as brokerage fees.

Most collectors regard soapstone sculptures as an investment. L'Abbe is aware of one piece that recently sold at auction for \$4,000. Its owner had given the artist a Timex watch for it when he purchased it years before the cooperative was formed.

The cooperative only wholesales its members' sculptures to art galleries and

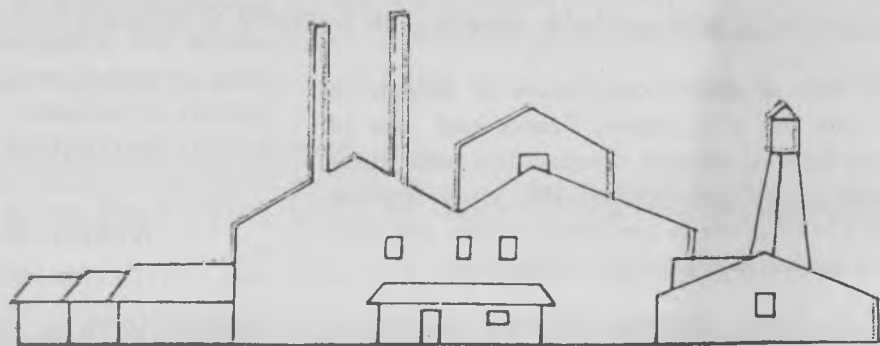


VOL. 10

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# COOPERATIVE SUGAR



Mr. Patil said he did not want protection to malpractices, if any, in sugar units. He also did not want any reduction in cane price. The cultivators must also be paid their dues at the appropriate time and there should be no arrears.

The sugar industry must be managed keeping in view these objective irrespective of the fact whether it was in co-operative, private or nationalised sector.

Mr. Patil said the cost of production in sugar had gone up due to increased wages and higher prices for cane. There were also increases in prices of inputs such as spare parts and oil. The industry was saddled with larger stocks and had to arrange for more storage space which will require additional capital.

All this will inflate the production costs. Prior to decontrol, the Government had estimated the sugar production price at Rs. 224 per quintal. For factories in Maharashtra, cost of production was arrived at Rs 218 per quintal.

#### WORLD CO-OPERATIVE CONFERENCE IN NEW YORK

**T**HE first-ever Conference of trading co-operative began in New York on 14th November, 1978 to consider ways and means of helping farmers and consumers.

The four-day conference is jointly organised by the International Co-operative Alliance (ICA) and the Co-operative League of the U.S.A. (CLUSA).

While there are giant cooperatives of farmers in countries like the U.S., Japan, France and rest of Europe, and large consumers co-operatives with turnovers ranging to billions of dollars, the trade between producers' co-operatives in one country and the consumers' co-operatives in another is insignificant.

Mr. R.G. Tiwari, Chairman, National Agricultural Co-operative Marketing Federation of India (NAFED) and Mr. B.D. Dwivedi, Managing Director, NAFED, are participating in the conference on behalf of co-operatives in this country.

The organizers have invited only such persons, who are authorised to negotiate business deals. This lends hope for some optimistic results.

#### CANE CRUSHING FROM NOVEMBER 23 AT SONEPAT

**T**HE crushing season for the local co operative sugar mill has begun on November 23, according to Mr. Ram Singh, General Manager of the mill.

Meanwhile, the State Government has also put off its decision on the sugarcane rate. While the Centre has fixed Rs. 10 a quintal as the statutory minimum, the State Govt. is expect to announce its own rate. The sugarcane rate was fixed at Rs. 10.50 a quintal by the State Government last years.

#### MANUFACTURERS OF GUR EXEMPTED FROM LICENCE

**T**HE Uttar Pradesh Government has decided to exempt those cane growers, who arede sircous to set up "khara kolhus" to crush their cane for manufacture of gur, from obtaining licence or permits.

This decision has been taken by the Government in view of the importance of the gur industry in which about 50 per cent of the total cane production is used and for ensuring timely and proper utilisation of cane.

In a statement the Minister for Cane Development and Sugar industry, Mr. Shiv Mangal Singh, has said that during the last 10 years the farmers were required to get permits for setting up such kolhus which had made them dependent to a certain extent on sugar factories and crushers. The Government had put an end to this arrangement and exmpted these kolhus from obtaining permits with a view to make cane growers self-sufficient.

#### HYBRID SUGARCANE SEED DEVELOPED

**S**CIENTISTIS in Uttar Pradesh have succeeded in developing a new hybrid sugarcane seed by crossbreeding in open field conditions, thus exploding the myth that sugarcane breeding in North India is not possible. They used Modified Crossing Lanturn method.

A systematic breeding programme was launched in the State in November 1976. The exploratory work consisted of finding out flowering of different varieties

# COOPERATIVE NEWS SERVICE

A SERVICE OF THE COOPERATIVE LEAGUE OF THE USA



1828 L STREET, NORTHWEST, WASHINGTON, D.C. 20036

January 12, 1979

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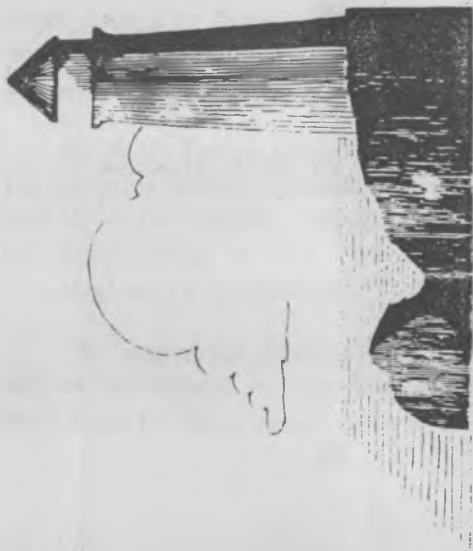
## U.S., EUROPEAN CO-OPS ESTABLISH TRADE BASE

ATLANTA, Ga. /CNS/ -- A group of major U.S. and European farm cooperatives are planning to engage in a joint venture with Alfred C. Toepfer, a leading world commodities trading company, in order to facilitate their own international buying and selling operations.

They have agreed that the co-ops involved will acquire a 50 percent interest in the worldwide commodity trading activities of the Toepfer organization, according to William W. Gaston, president of Gold Kist, Inc., Atlanta, one of the U.S. cooperatives participating in the move.

Gaston indicates the initial group of cooperatives may be expanded in the future. He says organizations now involved represent the agricultural merchandising, food processing and farm supply field, as well as both producers and end-users of grain and oilseed products. -- ERC

/ CNS /



# THE ATLANTIC CO-OPERATOR

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## International Conference Likely To Boost Inter-Co-op Trade

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USDA's Dr. Randall E. Torgerson (center) participates in an informal chat during the trade talks in New York City.

## 67 Co-ops Conduct Global Trade Talks

**A**N EFFORT to spark cooperative-to-cooperative trade on a world-wide basis brought officials of 67 cooperatives together in New York City in November. Representatives of 46 foreign cooperatives participated in discussions with traders from 21 U.S. cooperatives.

The pioneering event was sponsored by the Cooperative League of the USA (CLUSA) and the International Cooperative Alliance (ICA), with the support of USDA and other organizations. The 3 days of meetings were conducted, in part, at the One World Trade Center.

The conference was called "unique" by Jean Doumeng, chairman of the ICA Economic Subcommittee, and Robert Beasley, vice president of Farmland Industries, Inc., who served as co-chairmen. In a joint statement they announced:

"Here cooperative leaders from throughout the world began a unique

series of formal and informal discussions toward the common goal of expanding cooperatives' share of international marketings.

"We recognized that our goals were high and that many obstacles stood between us and success, but we are pleased to report that tangible results have been achieved. We have made great progress toward our objective of expanding world cooperative trading. . . .

"In our opinion, great progress has been made in a very brief time toward expanding the impact of cooperatives on world trade. We have a goal of achieving a 25 percent share of world trading in 2 years. To meet that goal we must dedicate ourselves to action and efficiency. Positive trading results await our cooperative members."

Delegates to the conference—officially called the "First International Cooperative Trade Conference"—unanimously endorsed a proposal by

the ICA's Economic Subcommittee to establish a branch office of the committee on the U.S. east coast. The committee said the proposed branch, details of which have not yet been firmed, would aid exchange of information among cooperatives around the world interested in buying and selling.

The delegates also endorsed a proposal that similar trade conferences be held annually. It was suggested that the next event might be arranged in conjunction with the ICA Congress in Moscow in 1980.

Secretary of Agriculture Bob Bergland addressed the conference via video transcription. Bergland stated, "Expanding world cooperative trade is a realistic goal. First, there is a natural bond between farmers here in the United States and farmers in other nations. It is a relationship that is continually strengthened by trust and dependability.

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## — CONSTITUTION AND ACTIVITIES — AGRICULTURAL COMMITTEE

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INTERNATIONAL CO-OPERATIVE ALLIANCE

ICA COMMITTEE ON AGRICULTURAL CO-OPERATION

CONSTITUTION AND ACTIVITIES OF THE ECONOMIC SUB-COMMITTEE

1. In agreement with the Constitution and Activities of the ICA Committee on Agricultural Co-operation, point 7, the Agricultural Committee establishes the Economic Sub-Committee (ESC). The Economic Sub-Committee is answerable to the Executive of the Agricultural Committee and will report regularly on its activities, arrangements made, volume of business initiated, parties involved, etc., to the Agricultural Executive.

2. Membership

Members of the Economic Sub-Committee are nominated by the Agricultural Executive from among members of the Agricultural Committee. The Secretary for Agriculture is ex officio secretary of the Economic Sub-Committee. The number of members of the Economic Sub-Committee shall not exceed nine. The Sub-Committee shall elect a chairman and two vice chairmen. The chairman of the Agricultural Committee and the Director of the ICA have the right to participate in the meetings.

3. Objective

The objective of the Economic Sub-Committee is to assist the Agricultural Committee in the aims formulated in point 9 of its Constitution and Activities:

"to promote ... in the international sphere economic relations between the agricultural co-operatives of different countries and between them and consumer co-operatives."

More specifically the Economic Sub-Committee shall:

- a. examine the potential of and initiate inter-cooperative trade;
- b. explore ways and means of improving the economic potential of co-operatives especially bearing in mind developing countries;
- c. try to ensure that more funds from multi-lateral and bi-lateral agencies are channelled to co-operatives in developing countries to meet the objectives defined in points (a) and (b) above.

4. Methods

For the purpose of developing and implementing the above activities the Economic Sub-Committee shall:

- a. establish an Economic Bureau in Paris, financed and supported by the French Agricultural Co-operative Movement; or at any other place as determined by the Agricultural Committee;



- b. assist the local movements to establish, where such an organisation does not already exist, International Co-operative Exchange Companies (ICE) in individual countries, in conformity with the legislation of the respective countries. Their objective is to promote and carry out business on behalf of co-operatives. The majority of the share capital of the International Co-operative Exchanges in individual countries shall be owned by the co-operative organisations with rural interests domiciled in those countries;
  - c. spread information on various activities through the Secretary of the Agricultural Committee for the purpose of raising interest for extended participation and catering for support;
  - d. supply the ICA Secretariat regularly with texts of individual agreements;
  - e. observe that the principle of co-operative democracy is maintained in the structure of the International Co-operative Exchanges and in the eventually established multi-national body.
5. National International Co-operative Exchanges may consider establishing a joint International Co-operative Exchange when the need arises.
  6. The Agricultural Executive may consider, in agreement with the Economic Sub-Committee, raising a certain levy on the transactions made through the good offices of and/or under moral patronage of the Economic Sub-Committee. The proceeds of such a levy will then be distributed to meet the needs and objectives of both the Economic Sub-Committee and the Agricultural Committee as set down in point 9 of its Constitution and Activities.

# CLUSA/ICA International Cooperative Trade Conference

## PARTICIPANTS

November 13-17, 1978

New York

revised: 11/28/78

<u>COUNTRY</u>	<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>
Argentina	Instituto Movilizador de Fondos Cooperativas	Aaron Gleizer
Canada	Interprovincial Co-operatives and Federated Co-operatives	Harold L. Empey
	Societe Cooperative Agricole de Sherrington	Floriant Sedillott
	Pecheurs Unis du Quebec	Andre Arsenault
	Cooperative Federee de Quebec	Roland Pigeon
	Federation des Cooperatives du Nouveau—Quebec	Fernand Morin
	Cooperative Agricole de Granby	Suzette L'Abbe
	Campagne Internationale de Developpement Regional	Helen Belanger Cauchy
	Federation des Magasins Cooperative	Frank Brunet
	Conseil de la Cooperation du Quebec	Gaston Rioux
	Producteurs de Sucre D'Erable du Quebec	John Guy-Dam
	Ministere de l'Industrie et du Commerce	Yvan Forest
	Cooperative Union of Canada	Gilles Croteau
Cyprus	Cyprus Cooperatives	Thomas Luis Trombley
		Gilles Rouleau
		Pierre Laflanne
		Ken McCready
		A. Azinas
		John Hadjizenonoug
		George Demetrou
		Mr. Parpas
Denmark	Dansk Landbrugs Grovvaeselskab	Martin Nielsen
	Nordisk Andelsforbund California (subs. of Nordisk Andelsforbund, Copenhagen—for Scandinavian Consumer Cooperatives)	Mogens Lillelund
		Robert E. Gomperts
Egypt	Mahal Trading	Azzam El-Faruqi
Federal Republic of Germany	Deutsche Raiffeisen-Warenzentrale GmbH	August L. Kreft

<u>COUNTRY</u>	<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>
France	Confederation Nationale de la Mutualite, de la Cooperation et du Credit Agricoles (CNMCCA)	Charles Delatte Rene Raimbault Jean Madec Mr. Rouzioux Mr. Geli
	Federation Nationale du Credit Agricole Union Nationale des Cooperatives Agricoles de Cereales	Mr. Catton Mr. Boyer Mr. Myotte
	Caisse Nationale de Credit Agricole S.G.C.C. Banque Stern	Albert Gabizon Mr. Negre Mr. Stern Mr. Caries
Iceland	Federation of Iceland Co-operative Societies	H. Palsson
India	National Agricultural Cooperative Marketing Federation of India (NAFED)	B. Dwivedi R.G. Tiwari
	National Federation of Industrial Cooperatives All India Handloom Fabrics Mktg.	M.J. Shah Vajubhai Mehta
Israel	Solcoor, Inc. (rep. for Hevrat Ovdim of Israel)	Avigdor Alon
Italy	Lega Nazionale delle Cooperative Italy Confederazione Cooperative Italiane	Mr. Lorenzoni Mr. Giberti Armando Ricci Carlo Rona Paolo Taliani
Japan	National Federation of Agricultural Cooperative Associations	Teruhiko Yamashita Eiji Nagamatsu
	Central Union of Agricultural Cooperatives Unicoopjapan	Sachifumi Ochiai Hiroshi Ide
	Japanese Consumers Co-op Union	Akira Ikawa Akiyuki Makita
Nigeria	Anambra Cooperative Wholesale Associated, Ltd.	E.I.C. Uche
Philippines	Sugar Cooperative Development Institute of the Philippines	Luis Lizares Rodolfo Gamboa Raul Gamban
Poland	Hortex-Polcoop (Central Union of Agricultural Cooperatives)	Andrzej Kaszynski
Singapore	International Cooperative Trading Organization	Dr. Lawrence Wong
Spain	Union Agraria Cooperativa	J.M. Barriach Uidal-Barraquer Marta
Sweden	Svenska Lantmannes Riksforbund (Federation of Swedish Farmers)	Martin Soderstrom Olof Karlander Staffan Darvelid

<u>COUNTRY</u>	<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>
Sweden, Finland, Denmark, Iceland, Norway	Kooperativa Forbundet	B. Liljestrang
Yugoslavia	Cooperative League of Yugoslavia	Rudolf Mazuran Milovan Stefanovic Ilija Todorovic Zuonko Pelic
Spain	Union Nacional de Cooperativas del Campo	Victor Oliver Mora Jose Pomares Martinez Domingo Solis Ruiz
U.S.A.	Albert City Elevator (Iowa) American Grain Association (Louisiana) Central Bank for Cooperatives (Colorado) Citrus Central, Inc. (Florida) Diamond-Sunsweet Growers, Inc. (California) Farm Credit Administration (D.C.) Farmland Industries, Inc. (Missouri)  Farmers Grain Dealers Association of Iowa Farmers Export Company (Kansas) Gold Kist (Georgia) Kuichak Naknek Aquatic Cooperative (Alaska)  Land O'Lakes (Minnesota) Mid-Eastern Cooperatives, Inc. (New Jersey) Midland Cooperatives, Inc. (Minnesota) National Council of Farmer Cooperatives Overseas Private Investment Corp.  Ohio Agricultural Marketing Association Producers Grain Corporation (Texas) SCAN (Division of Greenbelt Consumer Services—Maryland) Universal Cooperatives (Minnesota) U.S. Department of Agriculture Economics, Statistics, and Cooperatives Service Office of Governmental and Public Affairs SEA—Extension	Bruce Anderson Tommy J. Burnaman William Pettit Robert Triplett Donald M. Waite  Edward Lawrence Kaminski John Moore Ed Mosca Ron Schrag Frank Whitsitt  B.J. O'Dowd Jim Lepine Dr. Joseph Marshall Roger Lewis/Bill Bryant Vassie Balluta/Philip Balluta Fred Aloiei John B. McKernan Ted Busch William Shedd Carol James  Robert Hampton Graham Williams Joseph L. Fisher  C. William Swank Robert L. Boothe  Robert Gowell Don Lefever Orville Paske  Don Hirsch Arvin Bunker  Paul Darby Paul Mohn

## Sponsoring and Supporting Organizations

(Those Not Already Listed As Participants)

<u>COUNTRY</u>	<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>
U.S.A.	Cooperative League of the U.S.A. (CLUSA)	Glenn Anderson Carroll Arnold Tom Hemphill Lonnie Lane Ferris Owen Shelby Southard Gwen Mann Gayle Gray
United Kingdom	International Cooperative Alliance  I.C.A. Economic Bureau (France)	Suren Saxena Branko Zlataric Sandra Browne Jean Doumeng Maurice Marx Claude Scheuer
U.S.A.	I.C.A. Regional Office—New Delhi (India) E.A. Jaenke and Associates Concerned Farm Wives	R.B. Rajaguru  Ed Jaenke Jan Broadhurst Donna Harper Marilyn Woodard Judy Partington

## Program Participants

(THOSE ALREADY NOT LISTED AS PARTICIPANTS)

<u>COUNTRY</u>	<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>
U.S.A.	Farmland Industries, Inc. (Missouri) Farm Credit Banks of Baltimore Texas A & M University University of Wisconsin-Extension U.S. Department of Agriculture: Economics, Statistics, and Cooperatives Service Government and Public Affairs	Robert Beasley Gene Swackhamer Michael L. Cook Richard Vilstrup  Randall Torgerson James Webster

## **Our Volunteer Assistants**

The Cooperative League of the USA gratefully acknowledges the cheerful, volunteer assistance of four members of CONCERNED FARM WIVES who have come to New York City from the mid-America State of Kansas at their own expense to help make this trading conference a success.

They can help you get in touch with the people you want to meet to talk business.

They can help you find interpreters/translators.

They can help you find sources of facts.

They can help you get office services such as copying.

In short, they want you to succeed and they are willing workers.

Here is some biographical information about each of them.

**Donna Harper** and her husband Joe live on a farm two miles north of Sedgwick, Kansas. They have two children, Janelle, 10, and Frank, 8. They have been engaged in farming for 17 years and grow wheat, milo, corn, soybeans and alfalfa on 350 acres of farm ground they own plus 650 acres they lease. The Harpers also run a cow-calf operation on 200 acres of pasture that they own plus 600 acres they lease. Both are actively involved in church and community affairs. Donna's concern for the continuation of the family farm motivated her to become involved in bridging the gap between farmers and consumers.

**Judy Partington** is married to Richard Partington and has two children — Kenneth, age 16, and Gail, age 13. The

Partingtons live in Andale, Kansas, a rural community of 533 people. Richard is the general manager of the Andale Farmers Co-op, which is 100% owned by the area farmers. Judy has become very involved in furthering agriculture and feels that a positive attitude will indeed make the future of all farmers better.

**Marilyn Woodard** and her husband Gene live on a dairy farm near Maize, Kansas. Their day is filled with milking 90 head of Holstein cows and taking care of 1,100 acres of cropland. Also, in the fall of the year they care for the lambs from 800 ewes. Their major crops are wheat, corn, milo, and alfalfa hay. To help in the busy operation are two children, Shelley, 15, and Gerald, 12. Marilyn and Gene are community leaders for the Maize 4-H Club and are active in the United Methodist Church of Maize. To stay in touch with current agribusiness developments, both are active in area farm organizations. The Woodard's goal is to preserve the family farm for their children and future generations.

**Jan Broadhurst** and her husband Jon farm near Sedgwick, Kansas. The Broadhursts, in a family partnership, operate Broadhurst Turkey Farms. They raise 20,000 turkeys which produce over a million poultts a season. They also own 440 acres of land raising irrigated corn, wheat, milo, and soybeans. Both were raised on farms and chose to farm for a living. The Broadhursts have four children — Jennifer, 11; Jacque, 10; Jana, 7; and Jon, 4. They are both active in their community and church, and have been active in their state farm organizations. Jan feels that farm people need to become more involved in the promotion of their products.

# CONFERENCE DIRECTORY

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Robert Beasley, U.S.A.  
Jean Doumeng, France  
Co-chairmen

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## CLUSA

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E. Carroll Arnold,  
Conference Manager  
Gayle Gray, Secretary  
Gwen Mann, Exhibit  
Leon Lane, Exhibit  
Tom Hemphill, Audio-visual

## ICA

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Branko Zlateric,  
Secretary for Agriculture  
Sandra Browne, Secretary