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Maintaining the Cutting Edge

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International Trade Considerations for Extension Education Programs

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The recent poor trade performance of the U.S. farm sector has caused much concern about the ability of American farmers to compete on a global scale. This symposium addressed this and other key issues regarding agricultural trade. Although the U.S. is not as competitive as in the late 1970's, a comparative advantage has been maintained in most traditional crops. Certain regions, such as the Southeast, appear to bear more of the burden of adjusting to changes in prices of wheat, corn, and soybeans. Recent empirical evidence provided support for the contention that developing countries can increase food production and imports simultaneously. Broad-based per capita income growth in agriculture is a key to successful market growth. U.S. agriculture has much to gain from the upcoming Uruguay Round of GATT, although most benefits will accrue over the long term. Finally, future growth in agricultural exports will be difficult to attain, requiring an extension-research interface that focuses on specific product systems. More regionalization of education activities will follow, resulting in a more diverse clientele base.

The symposium was held in Kansas City, Missouri, and was a success. The majority of the attendees were full-time farmers/ranchers with little experience with advanced marketing techniques. About two-thirds of the class members were using what they learned and were developing their own marketing plans. About half were using advanced marketing techniques.

Henry Bain reported on an intensive week-long marketing education program limited to 50 farmers. The program's curriculum included market functions and farm marketing strategies. The program included participants, faculty, brokers, grain merchandisers, ag-lenders, and others. Participants rated the program very highly; the majority reported using what they learned in their own marketing activities.

Discussion focused on several issues. Lack of use of futures or options does not imply poor marketing practices. In many cases, these marketing alternatives are inappropriate given the market situation or a farmer's marketing objectives. However, the total absence of ever using advanced marketing techniques certainly would suggest inadequate attention to marketing. Extension may want to consider a program to teach farmers how to "manage commodity speculation" since that may more closely fit their utility functions. Several persons mentioned the need for more research on farmers' market risk preferences. Extension programs seem to give inadequate attention to integrating government programs into an analysis of marketing behavior or recommended marketing practices.

International Trade Considerations for Extension Education Programs

- C. Parr Rosen III, Oregon State University
- Earl Brown, Montana State University
- Michael Pugh, Texas A&M University
- Kathleen Scoville, University of Georgia
- C. Parr Rosen III, Oregon State University
- Kathy Moulton, University of California-Berkeley

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