


Strengthening Research and Extension through Collaboration within and between 1890 and 1862 Land Grant Institutions

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Post-SOFSEC Collaborative Initiatives and the Involvement of Ag. Economists and other Social Scientists

- Southern Black Belt Bias
- Pre-SOFSEC Collaborative Framework
- SOFSEC
- Post SOFSEC
 - Southern Black Belt Initiatives
 - AALGA
 - Asset-Building and Wealth Creation Focus

Southern Black Belt Bias

- Tuskegee University/Baharanyi-Zabawa
- MS Degree Program in Ag. Economics
- Small Farm Project (Section 2501)
- Extension (0.25 Ag. Econ. FTE)/Outreach
- Need for Rural/Community Development Perspective in Alabama Black Belt
- Similar to Black Belt NC, SC, GA, AL, MS, LA (210 counties)

Small & LRFs: Early Disconnects

- Through Extension “Farm Management”, Marketing, etc., but Low or No FTE allocation
- Profitability, Sustainability, Survivability, but No enough income, less local ownership of lands, less farmers on the farms
- Success in Section 2501 Program, but less funding
- Class Action Lawsuit Settlement, but less impact
- Risk Management, but no “appropriate” tools

Small and LRFs (Cont.)

- LOVAEs, but no translatable in “programs”
- FINPACK, but not in the mode of Turbo Tax
- Importance of land ownership, but not a commodity
- Need for Partnerships: 1890s, with select 1862s, with CBOs, etc., but not easy

Need for Regional and Collaborative Approach

Pre-SOFSEC Framework

- Association of Research Directors
- Association of Extension Administrators
- Southern Rural Development Center
- PAWC (www.pawc.info)
- COSBAE (www.cosbae.com)
- USDA- 1890 Capacity Building, NRI

SOFSEC

- Southern Food Systems Education Consortium, a Kellogg Foundation Initiative
- 1890s in the NC, GA, AL, MS, LA
- Initial Strategic Planning
- Specific Projects Funded on education “reform” (K-12, college), food and agriculture
- Importance of Thrust in Collaboration

Post-SOFSEC Black Belt Initiatives

- Southern Black Belt Research Project (Wimberley, Thompson, Baharanyi, Zabawa)
- Feasibility for a Southern Black Belt Federal Commission (UGA, TU, SOFSEC, CBOs)
- (Deans/Administrators, other Social Scientists & Community Activists, 1 Ag. Economist)

Post-SOFSEC AALGA

- Alabama Agricultural Land Grant Alliance
- An Initiative of Research Directors in Alabama
- Work with Commodity Groups to get legislative/state Matching Fund support (Deans and Community Leaders)
- AALGA Partnership Projects
 - (Conner Bailey, other social scientists, fewer ag. Economists)

Post-SOFSEC Focus on Asset Building and Wealth Creation

- Importance of Partnerships/Collaboration
- Importance of land ownership, asset-ownership, wealth
- Participation in civic, entrepreneurial and political activities
- Empowerment
- Importance of the Race Card (Melvin Oliver, Thomas Shapiro, Edward Wolff, etc.)

Wealth

Wealth is the stuff people own (home, small business, liquid assets, CDs, MMFs, stocks, etc.

Minus what is owed on them = net worth

Provides another dimension of well-being

Home, Business, Stocks, Inheritance, Retirement, etc.

Homeownership per Group (%)

	White	Black	Hispanic
1995	67.4	45.2	41.4
1998	72.2	45.8	45.4
2001	73.0	46.8	47.8

Source: SIPP, Asset Ownership, Bureau of the Census, 2002

Mean Business Interests 1992-2001 (2000\$)

	White	Black	Hispanic
1992	56,489	8,522	17,521
1995	59,817	3,565	8,350
1998	72,619	3,269	11,290
2001	89,431	2,933	18,013

Source: Survey of Consumer Finances, Federal Reserve

Mean Gifts and Inheritances 1992-2001 (2000\$)

	White	Black	Hispanic
1992	23,695	2,435	1,675
1995	24,413	2,632	2,355
1998	19,453	9,180	2,577
2001	20,685	2,365	385

Source: Survey of Consumer Finances, Federal Reserve

Mean Value of Stock Portfolio 1992-2001 (2000\$)

	White	Black	Hispanic
1992	17,292	1,080	187
1995	19,797	1,412	343
1998	39,997	2,696	2,707
2001	50,530	3,155	3,834

Source: Survey of Consumer Finances, Federal Reserve

Mean Retirement Pensions 1992-2001 (2000\$)

	White	Black	Hispanic
1992	25,638	5,397	3,730
1995	33,383	7,091	13,934
1998	44,671	11,784	10,388
2001	63,506	11,890	9,909

Source: Survey of Consumer Finances, Federal Reserve

More Inequity at National Level

- Richest 10% of families own about 85 percent of all outstanding stocks
- About 85 percent of all financial securities
- 90 percent of all business assets
- Financial assets and business equity even more concentrated than total wealth

Wolff (2004)

Existing Policies and Programs

- Income Policies (minimum wages, Conservatives)
- Most asset-building tax expenditures go to the non poor (Sherraden, Wolff, etc.)
- Homeownership and home improvement policies are not truly accessible to poor rural residents and minorities
- No capacity at relevant institutions (1890, CBOs)

Quid of the Land Grant?

- Poor record in serving the rural poor and minorities (income and asset ownership)
- 1862s still busy catering to beef cattle growers and row crop producers through USDA, Farm Bills, established farmer organizations, funding at land grants, etc.
- 1890s struggling to not be wiped off the land grant landscape and still remain engaged in southern rural communities

Select Recommendations

- Revisit and Fund EZ/EC type of initiatives for rural communities around asset-building and wealth creation programs
- Tax wealth (appropriate political mood)
- AAEA/COSBAE/select champions to become the moral conscience and reality check at/and in professional organizations such as AAEA, but better without

Select Recommendations

- 1862s to support State Matching Funds for 1890s
- Strengthen funding for the 2501 Program for small and limited resource farmers at 1890s, CBOs, and similar institutions
- Bring the USDA-1890 Entrepreneurial Outreach Program at the SBDC \$ level
- Need to create new institutions and coalitions for wealth creation/asset ownership initiatives

Conclusion

- Very difficult to strengthen research and Extension collaboration at 1890s and with 1862s under current political mood, existing professional organizational (AAEA) paradigms
- Need to create success stories
- Need for significant changes at many levels