Agricultural Cooperatives in the 21st Century:

The progression towards local and regional food systems in the United States

Sara Servin
American University, School of International Service
Washington, DC
May 2015

Agricultural Cooperatives in the 21st Century: The Progression Towards Local and Regional Food Systems in the United States Sara F. Servin

Abstract

In order to emphasize the important role that cooperatives have in poverty reduction and economic and social development throughout the world, the United Nations has encouraged member States to promote cooperatives and the contributions they make in poverty reduction and economic and social development. The future of sustainable food systems and healthy communities often depends on innovative ideas that are implemented by courageous activists. Three case studies taken from across the United States exemplify the widespread impacts that this courage can have on diverse communities, from their ongoing fight for social justice to the recognition of small-scale agriculture. The focus of this report will be on the connection between agricultural cooperatives and a relatively new expansion of the cooperative model: food hubs. In the United States, the 2014 Agricultural Act provides resources for this convergence, but what more could be done?

1. Introduction

In 2012, the United Nations General Assembly declared the year to be the 'International Year of the Cooperative.' In order to emphasize the important role that cooperatives have in poverty reduction and economic and social development throughout the world, the UN has encouraged member States to promote cooperatives and the contributions they make in these areas. In this Resolution, the UN specifically encourages governments to support agricultural cooperatives "through easy access to affordable finance, adoption of sustainable production techniques, investments in rural infrastructure and irrigation, strengthened marketing mechanisms and support for the participation of women in economic activities." With this international support, agricultural cooperatives in particular, have the potential to empower communities to not only increase their food *security*, but also their food *sovereignty*, which emphasizes a community's right to define agricultural policies and practices that are socially and culturally unique to them.

The United States Department of Agriculture (USDA) defines a cooperative as a "user-owned, user-controlled business that distributes benefits on the basis of use." While the United Nations promises that cooperatives will help lift communities out of poverty, the history of cooperatives in the United States has often converged with periods of economic and social stresses caused by dramatic shifts in agricultural production. Moreover, although the history of cooperatives in the U.S. plays a vital role in a complete analysis of cooperatives, the focus of this report will be on the connection between agricultural cooperatives and a relatively new expansion of the cooperative model: food hubs. This report focuses on the emergence of food hubs in the United States, and the opportunities for the two to collaborate to strengthen local economies and create food secure and food sovereign communities.

In order to assess this convergence, the report will be divided into 6 sections. The first section will briefly outline the cooperative model in the United States. Following this outline, three case studies of cooperatives will be examined. The first two of these case studies, the Federation of Southern Cooperatives and La Mujer Obrera, are part of an ongoing participant action research project in collaboration with a group of American University graduate students and faculty, the Rural Coalition and the National Family Farm Coalition. Following these case studies, the influx of food hubs in United States policy will be examined alongside the relevant grant program opportunities available. Finally, this report will digest the case studies to formulate a conclusion about the intersection of the two sectors to determine whether or not food hubs are a viable medium for cooperatives in the United States. This research is not intended to be a comprehensive report, but instead aims to strengthen the argument for cooperatives to collaborate with food hubs to increase local food production and consumption in food insecure regions.

2. Methodology

The group of American University graduate students divided up their time and resources, to visit and document their experiences with cooperative leaders and members in El Paso, Texas and Jackson, Mississippi over a period of three days each. Much of the information provided in the case study section of this report is based on the conversations and resources provided by those leaders. The final case study, Tuscarora Organic Growers Cooperative, was chosen based on its longevity in marketing to the Washington, DC area, and its similarities to food hubs in its operational functions. Several questions will be examined within the context of the cooperatives: How does the agricultural cooperative address food security/sovereignty in its community? What are the challenges facing the cooperative? What policies are in place to support the mission of the cooperative? Ultimately, these questions will be used to inform the question of the degree to which the cooperative model is being supported in the United States and the areas of needed support.

3. Strengths of the Cooperative Business Model

The cooperative business model is based on the three principles as defined by the United States Department of Agriculture: user-owned, user-controlled, and user-benefits to all its members. Agricultural producer cooperatives are formed by a group of producers in order to bring a given product (or products) to a larger market. Members of the cooperative are then able to share in the social and economic success of this marketing strategy as well as more evenly distribute any risks experienced throughout the duration of the season. In addition, member producers are able to "pool the funds and manpower necessary to process or harvest their goods." As members of the cooperative, producers are better able to negotiate and agree on a price for their product, giving them more leverage with buyers. This gives producers the opportunity to receive a premium for their product(s) and set higher standards for buyers.

Each State has a different statute for cooperatives, however they are generally based on the aforementioned principles. Many states set these statutes during the early twentieth century and are definitions include, "membership to agricultural producers, restrict voting to one vote per member or limit dividends on equity to 8 percent per year, and handle products for members that exceeds the value of the products handled for nonmembers." In compliance with this definition, cooperatives receive limited exemption from antitrust laws under the Capper-Volstead Act of 1922. This Act gives producer cooperatives the ability to collectively process, prepare for

market, handle and market their agricultural product without violating laws of competition. Although cooperatives are required to abide by these principles, they are not limited in their allowed scale of production, number of members, and diversity of products. This being said, rules and regulations in operating standards typically differ from cooperative to cooperative, giving producers of all sizes the opportunity to become cooperatives members.

In the following section, three different cooperatives with largely different operational models will be examined. First, La Mujer Obrera, a non-profit organization that advocates for the rights of Mexican women on the border of El Paso, Texas and Ciudad Juarez, Mexico. Second, the Federation of Southern Cooperatives, a non-profit organization that supports primarily rural and low-income Black families and farmers in the Southern United States. Finally, the Tuscarora Organic Growers Cooperative, a for-profit, producer-owned cooperative located in rural Pennsylvania.

3a. La Mujer Obrera

Through the collective participation of local women, La Mujer Obrera (LMO) works vigorously on developing a community that is culturally, socially, and economically appropriate for them. Located in the border town of El Paso, Texas, LMO emerged in 1981 to organize around the economic and social injustices facing Mexican American women employed by the garment industry. LMO has since expanded to include food and nutrition, arts and culture, and community organizing in its mission. Although not considered a cooperative by the USDA's three-part definition, LMO operates along the same guiding principles, and goes further to advocate for the community it represents. Moreover, the women that make up LMO strive to create and sustain an economy that represents their Mexican heritage and celebrates their indigenous Mesoamerican history.¹⁰

Although battling the garment industries since the 1980's, La Mujer Obrera found its community under a new wave of crisis in 1994 at the passing of the North American Free Trade Agreement (NAFTA). The passing of this Agreement led to the closure of many factories that left in search of cheaper labor costs across the border into Mexico. As a result, 35,000-40,000 factory workers, mostly women, lost their jobs overnight, and few jobs or education opportunities came to rebound the situation. Women earning \$5 per day in Mexico suddenly replaced the women that were making \$14 per hour in the El Paso factories. LMO fought to create social, cultural, and economic opportunities for the displaced women, and continue to advocate against the same injustices today.

Furthermore, the economic and social impacts left behind from NAFTA are still felt today, in El Paso, and throughout the United States and Mexico. Policies that promote exportoriented goods that depend on a reliable, cheap labor force, leave communities without the resources to develop in the way in which they see fit, and leave workers indentured to the corporation. This unsustainable business model encourages governments to compete in a 'Race to the Bottom,' in which the region with the cheapest labor costs wins the business of the corporation. As seen with the garment industry in El Paso, this business migration has devastating consequences to the communities it leaves behind. Continuing with the profit over people approach, the local government of El Paso has shown significant interest in developing the neighborhood, or *barrio*, that is home to LMO and a largely Mexican community, to suit the needs of the tourists traveling across the border. This development comes namely in the form of parking lots and hotel accommodations and excludes the existing community's development

projects. Thus, LMO continues an uphill battle to preserve space that reflects the community's cultural and social needs.

Specifically, the organization has developed four social enterprises that illustrate its commitment to culturally relevant social and economic development. The first, Café Mayapan, provides jobs, training and experience for women of all ages, while simultaneously preserving the rich Mexican culture of the community through the food it serves and events it hosts. Second, the organization supports a daycare center that doubles as a training center for women seeking experience in the childcare sector. Children who attend the daycare are provided with educational experiences that encourage learning through self-expression, child-led play, and the interconnected relationships between the land, nature, and other non-human life. The third, Lum Metik Trading Company, supports women artisans in Mexico by creating a more equitable market for their products. They create goods that are culturally relevant to their region, rather than goods created solely for their marketability. Finally, LMO advocates for healthy food and nutrition in the El Paso community through its seasonal farmers market. In addition to offering the community fresh food through this farmers market, LMO hosts an educational garden at the daycare center and is in the process of securing a plot of land for a community farm. This farm will instill the values and mission of LMO by using sustainable practices to grow culturally appropriate food and increase both the food security and food sovereignty of El Paso. Together, these social enterprises characterize the mission of LMO and their ongoing battle for economic, social and environmental equity.

Ultimately, the challenges facing the organization surround securing long-term community spaces and maintaining financial security. There are relatively few other organizations that align themselves with the mission of LMO, however their financial needs remain high. The organization received a Hunger Free Communities grant from the USDA Food and Nutrition Service in 2010, which helped to increase access to fresh, culturally appropriate and nutritious foods in the community. The grant enabled local farmers to increase produce items at Café Mayapan, developed mobile markets, and created nutrition education programs. However, much of the ongoing work and community space of LMO is supported from the rent paid by the aforementioned social enterprises. Nonetheless, the organization, in collaboration with the mainly Mexican community, continues to advocate for a nuanced economy that celebrates their Mesoamerican culture and history, and strives to build and strengthen the Mexican-American community of El Paso.

3b. Federation of Southern Cooperatives/Land Assistance Fund

Similar to La Mujer Obrera, the Federation of Southern Cooperatives (FSC) also has a long history of outreach and advocacy. Emerging in 1967 out of the Civil Rights Movement, the FSC has focused its work on protecting the land resources of Black family farmers in the South. Member cooperatives exist throughout eleven states: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Missouri, Mississippi, South Carolina, Tennessee, Texas, and the Virgin Islands. Within these states, the FSC encompasses 12,000 Black farm families who collectively own over half a million acres of land. Members participate in a variety of activities including: organic farming, marketing, fishing, agricultural processing, land buying, and credit unions. The FSC has advocated for agricultural cooperatives because of their capacity to strengthen communities through local control and management and by utilizing resources within communities. In addition, cooperatives develop food security and sovereignty in their communities by placing the responsibility of agriculture into the hands of small-scale family

growers. Cooperatives are vital across these regions, as they allow members to purchase supplies, provide technical assistance and better market their crops.

Furthermore, the FSC has played a critical role in securing funds for underserved farmers throughout the United States. In 1990, the FSC successfully lobbied for the passage of Section 2501 of the Farm Bill, which provides outreach and technical assistance to socially disadvantaged and veteran farmers and ranchers. ¹⁴ The 2501 Program was granted \$9.1 million in 2014 to continue to support historically underserved populations in owning and operating viable agricultural enterprises. ¹⁵ As frequent recipients of this grant, the FSC has used the funds to support underserved farmers in the Deep South to develop a rural training and research center in Epes, Alabama. This center serves as a showcase and education center for cooperatives and Black youth-run cooperatives.

While the cooperative model has proven to be a viable opportunity for rural, small-scale farmers to increase their market access, historically unequal systems continue to inhibit the success of the diversified farmer. A legacy of commodity crop insurance policies that largely reward large-scale cotton, corn, wheat, and soybean growers with subsidies, have left many small-landowners with little risk management opportunities. This was reflected in conversations with members of the FSC in Mississippi, who argued that while the existing 12,000 member families continue to farm on their small plots of land, many large land-owners, primarily cotton growers, still govern the extremely fertile land. The USDA's Risk Management Agency regulates crop insurance companies that have historically been utilized to the benefit of large-scale commodity crop growers, namely in the wake of extreme weather events, to protect them from economic loss. ¹⁶ Moreover, while large-scale commodity growers are incentivized to continue to fuel the commodity crop industry, they are also dissuaded from selling or renting their land if profits are maintained without any changes. In this process, small-scale diversified growers are geographically limited by available land.

Thus, two of the apparent challenges facing the area are land tenure and access to markets. Many poor communities in the Deep South lack viable economic and education opportunities that could help create opportunities for residents. Although the FSC assists in the development of cooperative and credit unions to address this economic dearth, additional funding for operational and technical support is needed to further support and extend the reach of the family cooperatives. High tunnels, which protect crops planted directly into the soil with an unheated plastic cover, have been used by specialty crop producers to function as a crop insurance tool, and can provide increased profits and greater protection to weather-related risks. More research is needed in the viability of high tunnels as an alternative to traditional crop insurance programs and the potential for funding cooperatives serving underserved populations in areas of primarily commodity-growth agriculture.

3c. Tuscarora Organic Growers Cooperative

Tuscarora Organic Growers Cooperative (TOG), located in rural South Central Pennsylvania, is a for-profit, grower-owned cooperative that primarily sells to Washington, DC and to Baltimore, Maryland. The Cooperative began in 1988 when a group of seven farmers organized themselves in order to address a growing demand for increased fruits and vegetables from food co-ops, retailers, and restaurants. Beginning in this first season, the farmers developed a produce commitment chart, which they continue to use today. The commitment chart allows the Cooperative to keep up with demand and helps to better coordinate each season with each member farmer. This chart is critical because together TOG offers over 1,200 different produce

items annually. In addition, the TOG also offers on-site farm trainings several times per year, as well as group orderings of seeds, organic pest and weed control, or other seasonal supplies. These grower-grower trainings give new members an opportunity to network and exchange technology with other growers. The TOG emphasizes these practices as being critical to their twenty-seven year success.

Each of the fifty member farmers is certified organic and produces mostly fruits and vegetables on no more than ninety acres. ¹⁸ The members range from older growers who began farming in the 1970's to newer growers who had previously done internships with the farms. Growers also include a large number of Amish and Evangelist growers. In order to coordinate and connect these nearly fifty growers from across Pennsylvania, a staff of four full-time employees and eighteen part-time employees operates the Co-op. Together, these employees aid producers in the marketing of their produce, the production coordination, and with adhering to the same quality standards that were developed by the growers themselves. The staff is then able to aggregate the produce items and sell to larger buyers, including restaurants and retailers in Washington, DC and Baltimore, with the goal of increasing returns for small-scale member farmers.

When speaking with Jeff, the General Manager of TOG, I asked him about some of the challenges the Co-op had faced and continues to face over the course of its 27 years. While very proud of their successful business model, he did indicate a few noteworthy challenges: meeting the needs of younger generations of farmers, cooperation among growers, and the convergence of limited capacity (of coolers and land) with the desire to grow. In addition to these ongoing challenges, the Co-op lost one of its largest growers in 2008, making it suddenly difficult to meet the demands of retailers and restaurants. The Co-op has since been able to recover, and maintains a \$3 million business cooperative that is entirely grower-owned and managed. This cooperative model has been successful without any financial assistance from the USDA or any other agency.

Although similar to a food hub in its aggregation and distribution services, the TOG differentiates itself from this model in selling solely to the urban districts within Baltimore and D.C. The TOG focuses its mission on bringing in higher returns for rural, small-scale farmers, which they are better able to do in these urban markets. Therefore, little produce is sold within the farmers' rural regions, and thus less focus is placed directly on strengthening the local food economies. TOG has made a clear economic case for the successful cooperative business model selling from the rural farms to the urban market to increase farmers' returns. However, what then happens to rural regional economies? More research is needed to examine food access in rural regions to better assess the degree to which produce is staying within the local economy as well as being exported out of it.

4. The Intersection of Food Hubs and Cooperatives

Food hubs have the potential to expand upon the cooperative model and further increase profits for producers while strengthening local and regional economies. Although no one food hub is exactly alike, their common mission is to offer a combination of aggregation, distribution and marketing services to local and regional producers to increase the quantity and consumption of source-identified food products in a given area. ¹⁹ Many food hubs have emerged to address the growing demand for local produce and connect regional growers to larger markets, such as schools, institutions, wholesale, and retail. In offering aggregation, marketing, and distribution services to small- and mid-scale farmers and ranchers, food hubs are able to scale up the food products of individual farmers and cooperatives, create new market opportunities, and capture

larger, consistent buyers that go beyond direct-to-consumer sales.²⁰ In recognizing the buyer's need for quality, consistent products, food hubs also often offer technical assistance to producers to fulfill these needs. Examples of technical assistance include food safety, production planning, post-harvest handling, and sustainable production practices.²¹ What differentiates food hubs from other food product distributors is their commitment to buy from local and regional growers whenever possible.²²

While cooperatives embrace the principles of cooperation and receive limited exemption from antitrust laws, many food hubs operate as for-profit organizations and do not qualify under these same laws. Thus, as food hubs rise in popularity, competition will arise in the market, and existing hubs will need to create innovative marketing strategies to maintain their role in the food system. New and emerging hubs could target producers and buyers with new offers if operating under rules of competition and not cooperation. Food hubs can incorporate cooperative practices that encourage cooperation among hubs to continue to build on and strengthen local and regional food systems and bring about social, economic, and environmental success to larger numbers of people.

Another potential challenge in the future is the seizure of the food hub business model by corporations. Similar to the commandeering of the organic market, the successful food hub model may be susceptible to large corporations looking for better marketing strategies that adhere to growing consumer demand. While food hubs currently pride themselves on their dedication to small- and mid-size growers, more research will be valuable in the potential demands to scale-up this model of agriculture. Nonetheless, since 2012, food hubs have received growing recognition throughout the United States as a potential means to address local and regional food security.

5. Agriculture Policy that Supports Both Food Hubs and Cooperatives

The intersection of agricultural cooperatives and food hubs is becoming more pervasive as a means to strengthen local and regional food systems. Since 2012, the USDA has released several reports and marketing strategies related to food hubs: Regional Food Hub Resource Guide, 23 Food hubs: an evolution to the co-op business model, 24 and Moving Food Along the Value Chain: Innovations in Regional Food Distribution. 25 In the 2014 Agricultural Act, also known as the Farm Bill, at least five percent of the Business and Industry Loan Guarantee Program is devoted to food hubs that support locally or regionally produced foods. ²⁶ In addition, the USDA Rural Business-Cooperative Service offers the Rural Cooperative Development Grant and the Value-Added Producer Grant, both of which support food hubs and cooperatives in accessing emerging markets and increasing returns for producers. ²⁷²⁸ In addition, the 2014 Farm Bill designates \$30 million to USDA Agricultural Marketing Service (AMS) for the Farmers Market Promotion Program (FMPP) and the Local Food Promotion Program (LFPP). While the goals of both programs are to increase consumers' access and consumption of local and regionally produced foods, the former is geared towards agricultural producers, cooperatives, and non-profit organizations that support direct-to-consumer market opportunities. Alternatively, the LFPP specifically targets business enterprises that process, distribute, aggregate, or store locally or regionally produced food products, such as food hubs or cooperatives.

The Rural Business-Cooperative Service also funds \$63 million in Value-Added Producer Grants (VAPG) until 2018, and is estimated to be \$15 million for fiscal year 2015. The USDA names five methodologies that serve as value-added products:

1. Change in physical state,

- 2. Produced in a manner that enhances the commodity's value,
- 3. Product segregation,
- 4. Farm- or ranch-based renewable energy, or
- 5. Locally-produced agricultural food product³⁰

These Grants aim to increase revenues for small- to mid-size farmers and ranchers, as well as cooperatives, through funding diverse and emerging markets that target local and regional food systems. The Grant funds up to \$75,000 for planning projects and \$200,000 for working capital grants, and requires a 50% match of the total project costs. Agricultural producers are eligible for the VAPG if they fall into at least one of four categories: 1) independent producers; 2) agricultural producer groups; 3) farmer or rancher cooperatives; or 4) majority-controlled producer-based businesses. The USDA defines agricultural producers as, "an individual or entity directly engaged in the production of an agricultural commodity, or that has the legal right to harvest an agricultural commodity, that is the subject of the value-added project. Agricultural producers may 'directly engage' either through substantially participating the in the labor, management and field operations or by maintaining ownership and financial control of the agricultural operation." Food hubs also qualify for the VAPG grant if they are producer-based.

The 2014 Farm Bill also makes available grants focused on nutrition and food access, for example, the Community Food Projects Competitive Grants Program. La Mujer Obrera and similar organizations addressing food security would be eligible for this Grant, as it prioritizes non-profit organizations, food program service providers and tribal organizations that focus primarily on low-income communities in food insecure areas.³² In addition, the Grant received a significant increase in funding from the approximately \$5 million in the 2008 Farm Bill to \$9 million in the 2014 Farm Bill. Also new to the 2014 Farm Bill, is the Food Insecurity Nutrition Incentives Program (FINI), which supports non profit organizations, cooperatives, farmers markets, and Community Supported Agriculture programs in projects geared towards lowincome consumers.³³ The FINI Program aims to both support local food economies and increase fresh fruit and vegetable sales to recipients of the Supplemental Nutrition Assistance Program (SNAP). Both Programs seek to strengthen local food economies, specifically in low-income areas. Future research into these grants, their recipients, and successes or challenges in addressing food security would be worthwhile. It would be of particular interest to examine the locations of markets, mobile markets, costs of fresh produce, and the degree to which minority, small- to mid-scale farmers are also supported by these grants or others administered by the United States Department of Agriculture.

6. Conclusion: Gaps in Agriculture Policy and Future Research

As each of the case studies has demonstrated, the cooperative business model can operate in vastly different ways with varying degrees of social, economic, and environmental success. Guided by its three principles –user-owned, user-controlled, and user-benefits –this model has demonstrated an economic development model that can be an alternative to the corporate, profit-driven one, that distributes social and economic benefits to members and their communities. As consumer demand for food traceability and locally-sourced food items in the United States increases, cooperatives and food hubs play a vital role in addressing this demand. The 2014 Farm Bill's programs and grants that support operations, technical, and financial assistance of local agriculture, minority farmers, and food access in low-income communities are critical in continuing the momentum in strengthening local and regional food economies.

However, while the USDA offers numerous grants and funding opportunities to food

hubs, cooperatives, and non-profit organizations, there still remains a need for increased funding to underserved and socially disadvantaged communities. The struggle for land between commodity-crop growers and small-scale diversified farmers, like that faced by the Federation of Southern Cooperatives is prevalent across the nation. While funding for small-scale, socially disadvantaged farmers is critical, additional research and resources must also be dedicated to transitioning large-scale growers to diversified farming practices in order to address food security in these regions. The issue of land tenure will not stagger if commodity crop growers are not incentivized to change their current practices. This is of utmost importance in establishing healthy food systems in rural regions of the United States whose economies are based around large-scale commodity crops. Thus, the USDA plays a pivotal role in creating programs in rural regions that emphasize food security and food sovereignty across the nation.

Furthermore, local and regional food systems must continue to be supported by USDA grant programs, with an emphasis on social and cultural relevance. In addition, the longstanding effects of free trade agreements and export-oriented agriculture on low-income and migrant communities need to be better recognized and addressed in Farm Bill policies. La Mujer Obrera represents a community whose labor force was taken advantage of and displaced when no longer deemed necessary. This systemic abuse of power is not isolated to El Paso; and a greater emphasis by the USDA must be placed on strengthening food security and food sovereignty efforts in disempowered communities. La Mujer Obrera's cooperative social enterprise model exemplifies a self-sufficient and culturally-based economic system that is appropriate for that specific community. More research is needed for greater outreach efforts to these communities and opportunities for technical trainings and education. In addition, more research in grant recipients and distribution across the United States, projects engaged in, challenges facing grantees, and availability of support network will also be key in assessing the degree to which targeted and underserved groups are truly represented in program funding.

Finally, while this report was not intended to cover the entirety of the cooperative and food hub intersection, more research would prove useful in several additional areas. First, it is imperative that in-depth case studies of several diversely managed food hubs are examined and compared to assess their local and regional viability. Second, as food hubs and cooperatives increase in their size and scope, it is critical that research in the area of food safety and responsibility continues to grow. This will prove to be important in providing a resource for liability and legal claims. Finally, it would be interesting to compare the International Cooperative Alliance to the United States' cooperative principles, and how their 7-principle guideline has shaped business enterprises across the globe similarly or differently. Their principles differ slightly in that they include: voluntary and open membership, democratic member control, member economic participation, autonomy and independence, education, training and information, cooperation among cooperatives, and concern for community. Finally, further research might include cooperative-to-cooperative trade, the agricultural cooperative model in Cuba, and the consolidation of dairy cooperatives in the United States.

In conclusion, the local food movement is clearly growing in size and scope. The emersion of food hubs in addressing consumer demand for fresh, locally sourced food products brings substantial resources to further this momentum. Together with cooperatives, food hubs can bring more local and regional food to schools, higher education institutions, hospitals, grocery retailers, and ultimately more homes across the United States. While significant policy work remains yet to be done in addressing food security, and even more so food sovereignty in the United States, the collaborative effort of food hubs and cooperatives is a substantial start. The

historical success of the cooperative business model is indicative of the potential for businesses far beyond the agriculture sector to find success in the user-owned, user-controlled, and user benefits principles.

Works Cited

- Belasco, E., Galinato, S., Marsh, T., Miles, C., & Wallace, R. (2013). High tunnels are my crop insurance: An assessment of risk management tools for small-scale specialty crop producers. *Agricultural and Resource Economics Review*, 42(2), 403-418. Retrieved From http://search.proquest.com/docview/1462037474?accountid=8285
- Cooperative Development Center at Kent State University. (2011). Solidarity as a Business Model: A Multi-Stakeholder Cooperatives Manual. P 54. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5105326
- Esola, L. (2007). Growers rely on coverage, risk management to protect crops. *Business Insurance*, 41(51), 12-13.
- Federation of Southern Cooperatives. (2007). Historical Review of the Federation of Southern Cooperatives/Land Assistance Fund: Four Decades (1967-2007). Retrieved From http://www.federationsoutherncoop.com/fschistory/fsc40hist.pdf
- Geu, T. (2004). Agriculture and Agriculture Related Cooperative Act. Memorandum to Commissioners, National Conference of Commissioners on Uniform State Laws. Retrieved From http://www.uniformlaws.org/shared/docs/limited%20cooperative%20association/ag_annmtg04_memo.pdf
- La Via Campesina. (Jun 2002). Food Sovereignty and Trade: Declaration NGO Forum FAO Summit Rome+5. Retrieved From http://viacampesina.org/en/index.php/main-issues-mainmenu-27/food-sovereignty-and-trade-mainmenu-38/398-declaration-ngo-forum-fao-summit-rome5
- Matson, J., Shaw, J., & Thayer, J. (2014). Food Hubs: an evolution of the co-op business model. *United States Department of Agriculture: Rural Cooperatives Magazine*.

 January/February, p 4-7, 37. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5106789
- Singh, A., & Zammit, A. (2004). Labour standards and the 'race to the bottom': Rethinking globalization and workers' rights from developmental and solidaristic perspectives. *Oxford Review of Economic Policy*, *20*(1), 85-104.

- United Nations General Assembly. (Feb, 2010). Resolution adopted by the General Assembly on 18 December 2009: 64/136. Cooperatives in social development. Retrieved From http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/64/136
- United Nations World Food Programme. (2015). What is food security? Retrieved From https://www.wfp.org/node/359289
- United States Department of Agriculture, Agricultural Marketing Services. (2012). Regional Food Hub Resource Guide. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5097957
- United States Department of Agriculture, Agricultural Marketing Services. (2012). Moving Food Along the Value Chain: Innovations in Regional Food Distribution. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=stelprdc5097504
- United States Department of Agriculture, Agricultural Marketing Services. (2014). Farmers Markets and Local Food Marketing: Food Hubs: Building Stronger Infrastructure for Small and Mid-Size Producers. Retrieved From http://www.ams.usda.gov/AMSv1.0/foodhubs
- United States Federal Register. Catalog of Federal Domestic Assistance No.:10.443-Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program Retrieved From https://www.federalregister.gov/articles/2015/02/11/2015-02834/catalog-of-federal-domestic-assistance-cfda-no-10443-outreach-and-assistance-for-socially#h-9
- United States Department of Agriculture, Food and Nutrition Service. (2010). Hunger Free Communities Grants Awards. Retrieved From http://www.fns.usda.gov/es/node/6249
- United States Department of Agriculture, National Institute of Food and Agriculture. (2014). Community Food Projects Competitive Grant Program (CFPCGP). Retrieved From http://nifa.usda.gov/program/community-food-projects-competitive-grant-program-cfpcgp
- United States Department of Agriculture, National Institute of Food and Agriculture. (2014). Food Insecurity Nutrition Incentive(FINI) Grant Program. Retrieved From http://nifa.usda.gov/program/food-insecurity-nutrition-incentive-fini-grant-program
- United States Department of Agriculture, Office of Communications. (May, 2014). "USDA Announces \$78 Million Available for Local Food Enterprises: Historic Investment Will Support Entire Local Food Supply." Retrieved From http://www.usda.gov/wps/portal/usda/usdamediafb?contentid=2014/05/0084.xml&printa ble=true&contentidonly=true

- United States Department of Agriculture, Rural Business-Cooperative Service. (2014). Value Added Producer Grant & Food Hubs. Retrieved From http://www.rd.usda.gov/files/BCP_VAPGFoodHubsSlides.pdf
- United States Department of Agriculture, Rural Development. (2015). Rural Cooperative Development Grant Program. Retrieved From http://www.rd.usda.gov/programs-services/value-added-producer-grants
- United States Department of Agriculture, Rural Development. (2014). Comparing Cooperative Principles of the US Department of Agriculture and the International Cooperative Alliance. *Rural Business-Cooperative Programs: Research Report 231*. Retrieved From http://www.rd.usda.gov/files/BCP RR231.pdf
- Zeuli, K. & Cropp, R. (2004). Cooperatives: Principles and practices in the 21st century. University of Wisconsin Extension. Page 1 Retrieved From http://learningstore.uwex.edu/assets/pdfs/a1457.pdf

¹ United Nations General Assembly. (Feb, 2010). Resolution adopted by the General Assembly on 18 December 2009: 64/136. Cooperatives in social development. Retrieved From http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/64/136

² UN Resolution 64/136. Number 8, Page 3

³ United Nations World Food Programme. (2015). What is food security? Retrieved From https://www.wfp.org/node/359289

⁴ La Via Campesina. (Jun 2002). Food Sovereignty and Trade: Declaration NGO Forum FAO Summit Rome+5. Retrieved From http://viacampesina.org/en/index.php/main-issues-mainmenu-27/food-sovereignty-and-trade-mainmenu-38/398-declaration-ngo-forum-fao-summit-rome5

⁵ Zeuli, K. & Cropp, R. (2004). Cooperatives: Principles and practices in the 21st century. University of Wisconsin – Extension. Page 1 Retrieved From http://learningstore.uwex.edu/assets/pdfs/a1457.pdf

⁶ Zeuli, K. & Cropp, R. (2004). Cooperatives: Principles and practices in the 21st century.

⁷ Cooperative Development Center at Kent State University. (2011). Solidarity as a Business Model: A Multi-Stakeholder Cooperatives Manual. P 54. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5105326

⁸ Geu, T. (2004). Agriculture and Agriculture Related Cooperative Act. Memorandum to Commissioners, National Conference of Commissioners on Uniform State Laws. P. 6 Retrieved From

http://www.uniformlaws.org/shared/docs/limited%20cooperative%20association/ag annmtg04 memo.pdf

⁹ Geu, T. (2004). Agriculture and Agriculture Related Cooperative Act.

Andrade, Lorena. Director La Mujer Obrera. Personal Communication. March 21, 2015.

¹¹ Singh, A., & Zammit, A. (2004). Labour standards and the 'race to the bottom': Rethinking globalization and workers' rights from developmental and solidaristic perspectives. *Oxford Review of Economic Policy*, 20(1), 85-104.

¹² Andrade, Lorena. March 21, 2015

¹³ USDA Food and Nutrition Service. (2010). Hunger Free Communities Grants Awards. Retrieved From http://www.fns.usda.gov/es/node/6249

¹⁴ Federation of Southern Cooperatives. (2007). Historical Review of the Federation of Southern Cooperatives/Land Assistance Fund: Four Decades (1967-2007). Retrieved From http://www.federationsoutherncoop.com/fschistory/fsc40hist.pdf

United States Federal Register. Catalog of Federal Domestic Assistance No.:10.443-Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program

https://www.federal register.gov/articles/2015/02/11/2015-02834/catalog-of-federal-domestic-assistance-cfda-no-10443-outreach-and-assistance-for-socially #h-9

¹⁶ Esola, L. (2007). Growers rely on coverage, risk management to protect crops. *Business Insurance*, 41(51), 12-13.

¹⁷ Belasco, E., Galinato, S., Marsh, T., Miles, C., & Wallace, R. (2013). High tunnels are my crop insurance: An assessment of risk management tools for small-scale specialty crop producers. *Agricultural and Resource Economics Review*, 42(2), 403-418. ¹⁸ Taylor, Jeff. Tuscarora Organic Growers Cooperative. Personal Communication. April 21, 2015.

¹⁹ USDA Agricultural Marketing Services. (2012). Regional Food Hub Resource Guide. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5097957

USDA Agricultural Marketing Services. (2014). Farmers Markets and Local Food Marketing: Food Hubs: Building Stronger Infrastructure for Small and Mid-Size Producers. Retrieved From http://www.ams.usda.gov/AMSv1.0/foodhubs
 USDA AMS. (2012). Regional Food Hub Resource Guide.

²² USDA Agricultural Marketing Services. (2012). Regional Food Hub Resource Guide. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5097957.

²³ USDA AMS. (2012). Regional Food Hub Resource Guide.

- ²⁴ Matson, J., Shaw, J., & Thayer, J. (2014). Food Hubs: an evolution of the co-op business model. *United States Department of* Agriculture: Rural Cooperatives Magazine. January/February, p 4-7, 37. Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5106789
- ²⁵ USDA Agricultural Marketing Services, (2012). Moving Food Along the Value Chain: Innovations in Regional Food Distribution, Retrieved From http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=stelprdc5097504
- ²⁶ USDA. Office of Communications. (May, 2014). "USDA Announces \$78 Million Available for Local Food Enterprises: Historic Investment Will Support Entire Local Food Supply." Retrieved From

http://www.usda.gov/wps/portal/usda/usdamediafb?contentid=2014/05/0084.xml&printable=true&contentidonly=true

- ²⁷ USDA Rural Development. (2015). Rural Cooperative Development Program. Retrieved From http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program
- ²⁸ USDA Rural Development. (2015). Rural Cooperative Development Grant Program. Retrieved From http://www.rd.usda.gov/programs-services/value-added-producer-grants
- ²⁹ USDA Rural Business-Cooperative Service. (2014) Value-Added Producer Grants & Food Hubs. Retrieved From http://www.rd.usda.gov/files/BCP VAPGFoodHubsSlides.pdf
- ³⁰ Any agricultural food product marketed and distributed within 400 miles of its origin or within the State in which the product is produced ³¹ Only 10 percent of available funds are awarded to applicants from this category
- ³² USDA. National Institute of Food and Agriculture. (2014). Community Food Projects Competitive Grant Program (CFPCGP). Retrieved From http://nifa.usda.gov/program/community-food-projects-competitive-grant-program-cfpcgp
- ³³ USDA, National Institute of Food and Agriculture. (2014). Food Insecurity Nutrition Incentive (FINI) Grant Program. Retrieved From http://nifa.usda.gov/program/food-insecurity-nutrition-incentive-fini-grant-program
- ³⁴ USDA Rural Development. (Jun 2014). Comparing Cooperative Principles of the US Department of Agriculture and the International Cooperative Alliance. Rural Business-Cooperative Programs: Research Report 231. Retrieved From http://www.rd.usda.gov/files/BCP RR231.pdf