

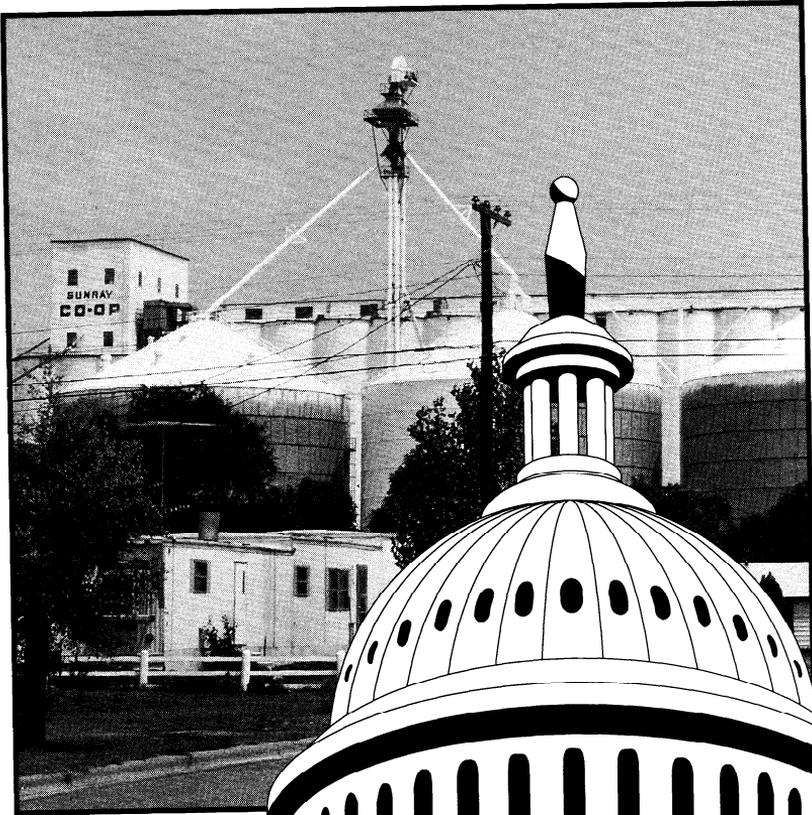


United States
Department of
Agriculture

Agricultural
Cooperative
Service

Cooperative
Information
Report 42

Co-op Involvement in Public Policy



Abstract

Cooperative Involvement in Public Policy

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Farmer cooperatives are more effective in securing favorable government decisions when they have an active, structured public policy program. Members play important roles in shaping and implementing that program.

A cooperative should develop a written set of policy resolutions and a regular procedure for revising those resolutions. The public policy program should include a plan to implement the resolutions through personal contacts with policymakers and coordinated efforts with other cooperatives and interest groups through coalitions and trade associations. The cooperative always strives to act with an abundance of credibility and patience so policymakers will trust, and even seek out, its advice.

Keywords: Cooperative, policy, legislative, administrative, member, communication

Cooperative Information Report 42

May 1993

Preface

Every day elected and appointed government officials make public policy decisions that have an impact on the way cooperatives and their members do business. Yet most cooperatives have little or nothing in the way of plans to influence those decisions.

This report focuses on how a cooperative can develop a program to make members' voices heard in the public policy arena. The suggestions were developed from numerous interviews with representatives of cooperatives that have effective public policy programs, and trade association officials. It doesn't advocate or even discuss issues and positions; rather it presents a framework for cooperative members and leaders to use to identify issues, set policy objectives, and implement those objectives.

The report describes the roles members, directors, managers, staff, and outside advisers can play in the policy process. Its purpose is to encourage cooperatives to develop public policy programs as a tool to improve the environment in which they provide services to their members.

Contents

Highlights	iii
What Is “Public Policy?”	2
Who Are the Policymakers?	2
Getting Started	3
Written Policy Resolutions	5
What Makes an Effective Policy Statement?	5
Who Identifies Possible Issues To Be Addressed?	6
Resolutions Committee	8
Membership Ratification	12
Implementing the Policy Resolutions	14
Member Education / Communication	15
Direct Contact with Policymakers	17
Testifying at Formal Hearings	21
Fundraiser Question	23
Indirect Political Action	24
Don’t Forget the Staff	24
Value of Coalitions	25
Trade Associations	25
Grassroots Response	26
Twin Towers of Success — Credibility and Patience... ..	27
Determining Success	28

Highlights

Cooperatives that develop long-term public policy programs to complement their long-term business plan have the greatest chance of achieving their overall objectives. Cooperatives with no public policy program forfeit the opportunity to influence government decisionmaking to competitors and other interests that do.

Most cooperatives become active in public policy only after an adverse proposal or decision. However, a key director or employee can start a program if that person is sensitive to member concerns and is willing to do the work.

The foundation of a policy program is a set of written policy resolutions. The policies anticipate problems and opportunities, and guide cooperative leaders in attempting to influence policy decisions. Members, managers, staff, advisers, and directors are all good sources of ideas for policies. A resolutions committee is a good vehicle for sifting through suggestions and developing a draft package of resolutions for the membership. Members should have the option to modify or reject proposed policies, and to enact alternative policies if they so choose.

Member education and communication can develop a commitment for the policy program and prompt a grassroots effort in support of a policy initiative. Direct contacts with policy-makers at cooperative functions and in other settings are the key to influencing decisions. Financial support for elected officials who agree with cooperative positions is a part of a complete program.

Cooperatives should also look beyond the basic citizen/policy-maker relationship. Civic involvement, such as voter registration and get-out-the-vote campaigns, enhances the political process and the cooperative's public image. Contacts with staff members who serve officials can be as useful as those with the

official. Coalitions and trade associations increase visibility and influence. A grassroots outpouring of support from members can be the most effective vehicle for influencing policy.

While there is no straightforward way to measure success of a public policy program, cooperatives that strive for credibility and show patience usually develop the best long-term relations with policymakers. Such cooperatives become decisionmakers' contacts for advice and responses on various issues.

Cooperative Involvement in Public Policy

Farmers live in a business world and a political world. In the business world, no one gives you a fair price just because you deserve it. You must have market power to obtain the price you deserve. Likewise, in the political world no one gives you a fair law just because you deserve it. You must have political power to get and protect the laws you deserve.

Attributed to F. R. (Fran) Wilcox,
California Fruit Growers Exchange (Sunkist).

In the early days of our republic, America was an agrarian society. The farmers' voice was the voice of the people. In 1922, the year the Capper-Volstead Act became law, the farmers' voice was still strong. Thirty-two million Americans lived on farms, roughly 30 percent of our population. In 1990, our 4.8 million rural farm residents counted for less than 2 percent of our total population.¹ If farmers and their cooperatives want a favorable public policy now, they really have to work for one.

As most federated and large centralized cooperatives already have a public policy program, this report is aimed primarily at smaller cooperatives who may have little or no organized activity in this area. To some local cooperative leaders the suggestions may seem to be too ambitious. But experience has shown that cooperatives maximize their chances of being successful when they develop both a long-range business plan (perhaps 5 years) and a long-range public policy plan designed to help achieve the goals of the business plan. While some situations

¹ U.S. Department of Agriculture, *Agricultural Statistics*, various issues, 1962-90.

arise quickly and call for an immediate decision on how to respond, the more a cooperative can anticipate problems, the better job it usually does of managing them.

This report is based on the programs of cooperatives that have been effective in making the collective voice of their members heard on Federal, State, and local policy issues. It focuses on how cooperative members identify issues they wish to influence, set objectives, and develop action plans to achieve those objectives. Special emphasis is placed on the role of the member. Experience shows that it is the members and the association and its staff, working together, that make the most effective team for achieving results.

WHAT IS “PUBLIC POLICY?”

While there is no single definition of public policy, for purposes of this paper it will be defined as both government actions intended to affect the lives of its citizens and the conscious decision of the government not to act where it has the authority to act. The public policy process is the systematic determination of when and how the government will act. Chaotic as the process may sometimes appear, decisions by legislative bodies and administrative agencies are made according to rules. These rules usually provide ample opportunity for citizen input. Citizens who take advantage of those opportunities are the ones who most often receive the policies they want.

WHO ARE THE POLICYMAKERS?

Most public officials affecting policies for cooperatives fit into one of two general classifications. The first is elected legislators. City council members, county supervisors, State representatives, and Members of Congress fall into this category. They draft and pass laws that set the general rules for policy. They stand for election on a regular basis and can be replaced by their constituents.

Other public officials influencing cooperatives' policies are primarily appointed administrators. Zoning officials, environ-

mental compliance inspectors, revenue agents, and the Secretary of Agriculture are part of this group. These officials interpret and apply the law to specific situations.

Some parallels can be drawn between the way policy is developed in the public and private sectors. Legislators are somewhat like directors as they are democratically elected and set general policy. Administrators are like management as they are appointed and make decisions that implement policy

In the public sector, a few high-ranking elected officials play a major role in both setting and administering policy. This group includes mayors, governors, and the President and Vice-President of the United States. These persons usually are the ones authorized to appoint other administrators. They work with their “team” to develop and propose legislation and to influence the legislative process. They frequently have the authority to veto legislation they don’t want to see enacted (although a large majority of the legislators can usually override a veto). They fill the role of the chief executive officer of a cooperative, but are responsible to their entire constituency, not just a board of directors.

Judges are another important group of policymakers. Their role in the policy process is to decide disputes over what the law actually says. Often these disputes are between private citizens and the administrative agencies. As this aspect of policy is set through litigation essentially outside the normal political process, it won’t be covered in this report. But a key question in setting policy that must always be considered is, “Will it stand up in court?”

GETTING STARTED

Having emphasized the importance of the members to an effective public policy program, it would be nice to report that such programs often rise on a groundswell of member enthusiasm for such service from their cooperative. Unfortunately, that just isn’t the case. Too many members don’t recognize the importance of a favorable public policy to the success of their coop-

erative, feel overwhelmed by the political process, or believe the process is tainted and should be avoided to escape personal contamination.

Farmers by nature react cautiously to any suggestion of change. And having their cooperative move from a passive to an active role in the public policy process can be perceived as a big change. To be successful, proponents must be sensitive to member concerns and conduct themselves accordingly.

Cooperatives with sound policy programs almost always received their initial spark from one or more enlightened leaders. A strong board president and/or manager recognized the impact public policy had on the cooperative and made it a personal priority to educate directors and other members about the policy process. Sometimes, this education was assisted by a critical issue or detrimental government decision that “woke up” the membership. Other times, the leadership laid the ground work for such activity and gradually brought the membership along.

A good way to begin a public policy program is to have the directors and key staff members meet to compile a list of the ways government seems to intrude on their management of the cooperative. The initial focus is on negatives because it is usually easier for people to identify policies they perceive as treating them unfairly than to visualize how a policy could be modified to create an opportunity. A subsequent meeting might focus on policy changes that will promote the cooperative’s business objectives.

Once a consensus develops that the list of problems is fairly comprehensive, the items listed might be prioritized in terms of the relative level of impact. No cooperative should seek to solve all the world’s problems. Attempts to influence policy use resources (funds, management time, support staff) just as does a packaging, processing or distribution activity. Priorities have to be established just as in other areas of member service.

Next, a cut-off line could be drawn so that effort can be focused on those problems most in need of attention. This is a

continuation of the prioritizing process. It limits association objectives to high-priority items.

Finally, the group might discuss how government programs might be changed to minimize their negative effect or even become beneficial to the cooperative.

One temptation to be resisted, especially by smaller cooperatives, is to focus all efforts on the glitzy, national issues that are discussed on network news shows. This is especially crucial when the political trend is for the Federal Government to decentralize responsibility in areas of rising importance — environmental compliance, water quality and availability, food safety — and the States and localities are filling the void with new regulatory initiatives sometimes funded by fees on the regulated.

The resulting list of desirable solutions can be the first draft of the initial set of public policy objectives for the cooperative.

WRITTEN POLICY RESOLUTIONS

A set of written guidelines adopted by members has proven to be the most effective way to identify public policy issues the cooperative should seek to influence. These guidelines are often called policy statements or resolutions. Regardless of the size of the cooperative, the complexity of its operations, or the number and variety of issues and forums it wishes to influence, written policy statements are the foundation of a fruitful public policy program.

What Makes an Effective Policy Statement?

First, an effective policy accurately reflects the objectives of the membership. Second, the policy should be concise enough to bind association representatives to the position of the members, yet flexible enough that when those representatives are in difficult negotiating sessions — whether with U.S. Senators or the local board of zoning appeals — compromises can be worked out.

Writing effective policy statements is virtually an art form. Every written document, from a laundry ticket to the U.S.

Constitution, is subject to personal interpretation. The drafters of a cooperative's public policy resolutions should be those members and advisers best able to phrase ideas clearly and precisely

Who Identifies Possible Issues To Be Addressed?

In the description of how a cooperative might start a public policy program, the board and management hold a joint meeting to explore possible issues to consider. Once the policy program is established, anyone with a stake in the success of the cooperative can be a good source of ideas for policies.

Members The role of the cooperative is to improve the quality of life of its members. Members should be encouraged to be alert for both opportunities and problems and to bring potential issues to the leadership's attention. Cooperatives that ask members to identify issues find that being receptive to member suggestions builds member loyalty. This keeps the leadership in tune with member concerns so the management devotes its efforts to matters that are important to the members.

Management Managers and other employees have continuous contact with the operation of the business and thus have a special perspective on government programs that aid or inhibit the firm's efforts. Managers also often have access to sources of information about the industry environment that aren't readily available to — or of any particular interest to — producers, such as trade publications, professional associations, suppliers, and customers.

Field Staff While all employees can provide useful input on policy matters, field representatives have proven especially helpful in this regard. Cooperatives with persons who regularly visit member farms or businesses should train these employees to encourage members to talk about problems and opportunities the members see, and to relay those ideas to top

management. Many people with valid concerns and good ideas simply don't feel comfortable expressing their thoughts in a group setting. But they may be willing to talk one-on-one with a staff person in a private setting.

Field representatives also observe what's happening among the members on a regular basis and develop insights of their own. Management should encourage field staff to come forward with their thoughts as they can often spot potential and festering problems in time to develop a plan of action before a crisis occurs.

Outside Directors and Advisers If the association has one or more outside directors, those persons can be useful in spotting issues in their areas of expertise. In the absence of an appropriate outside director, professional advisers can fulfill this role. Such persons can be especially helpful in dealing with technical fields such as insurance, environmental compliance, finance and credit, and legal issues.

Farmer Directors Farmer directors have the unique perspective of being exposed to both on-farm experiences and corporate inside information. They should include identifying policy issues of importance to the cooperative as an element in their duty to oversee the general viability of the organization.

When an issue arises that isn't covered by a policy statement and can't wait until the next membership meeting, the board of directors has the duty to provide guidance to management. This has occasionally led directors to resist a comprehensive package of policies as an infringement on their flexibility to manage the affairs of the cooperative as they see fit. Experience indicates, however, that directors shouldn't monopolize the process of developing policy positions. Member involvement has produced better policies and stronger grassroots support for those policies and the cooperative.

The Resolutions Committee

Cooperatives with successful public policy programs usually make effective use of a resolutions committee. The resolutions committee serves as a clearinghouse of ideas. It gathers and organizes suggested policies, endorses or rejects the suggestions, amends suggested wording as necessary, and reports policies it approves to the membership for final adoption or rejection.

The board president usually appoints the chairperson and other members of the resolutions committee. Someone is also designated to keep an accurate record of each action taken by the committee and the exact wording of each resolution as approved by the committee. This assignment often goes to a clerical professional such as a secretary or the cooperative manager's administrative assistant.

Committee Membership The resolutions committee is usually primarily a membership committee, not a board committee. It may be chaired by a director and one or more other directors may be members, but a majority of the committee is often composed of some of the more astute members who aren't on the board. This has been found to offer several advantages. First, it gives members confidence that the association isn't dominated by the board and/or management. Second, it gives the board president the opportunity to give a voice to geographic areas, young farmers, and other interests within the cooperative that may not be represented on the board. Third, it can be used as a training exercise for prospective new directors. Service on this committee can expose them to the issues confronting the cooperative and give the organization a chance to observe them in a group decisionmaking situation and assess their likely effectiveness as board members.

Experience also indicates some people should not be assigned to this committee. One is the crusader, the single issue advocate. Often, this person's position is a distinct minority view within the association. Crusaders may unduly prolong meetings by talking at great length about the issue of concern.

Sometimes, the group endorses a questionable position just to placate the crusader and move on to other matters.

Another type of person best avoided is the ideologue, who views any issue as less important than a political or business philosophy. The public policy process, even within the cooperative, is frequently an exercise in the art of compromise. The member who'll fight endlessly over the proper philosophical approach to every issue can be a disruptive factor.

Proven Procedures One procedure that helps build member confidence in the system is to require that all policy suggestions come from members. Some proposals may originate with staff, outside advisers, or government officials, but they can all be funneled to the committee through a member.

Some cooperatives have member committees to monitor different areas of concern. The member chairperson of the committee can communicate the committee's recommendations to the resolutions committee. If a member can't be found to propose a policy, chances are the policy isn't in the best interests of the membership.

Another proven procedure is to require that all proposed policies be submitted to a designated official of the cooperative well before the committee meets. Sufficient time should be allotted to have all proposals reproduced and distributed to the committee members a few days before the meeting. This gives the committee members time to review proposals, contact the sponsor and ask questions for clarification, and seek the advice of others on how to deal with the different ideas raised. Some cooperatives follow this procedure strictly and require sponsors of proposals that don't meet the deadline to hold them until next year or take them personally to the membership meeting for adoption. Others are more flexible, usually expressing displeasure at receiving a last-minute proposal but dealing with it anyway.

The last-minute resolution is certainly difficult to handle. The proponent has time to organize a presentation, the committee members must react without having time to think through the policy's possible repercussions.

The resolutions committee of associations that accept late proposals often view them skeptically and reject any that are controversial or not clearly understood. While this occasionally means a good policy is temporarily deferred, most cooperatives find this is preferable to endorsing a policy that wasn't properly reviewed and then finding it generates a divisive floor battle during the membership's annual meeting, or is adopted and then leads to unforeseen problems for the cooperative.

The resolutions committee usually meets only once each year, just before the membership's annual meeting. Many cooperatives, conscious of the need to encourage member involvement and to dispel any perception that the leadership is hiding something from the members, open the resolutions committee meeting to all members. This has worked well, so long as the chairperson limits participation in discussion by persons not on the committee to responding to questions and making comments to clarify points under discussion.

The Sifting Process The biggest responsibility of the resolutions committee is the so-called sifting process, determining which proposals to approve and which to reject. Fortunately, most proposals are noncontroversial. They originate from persons who have the best interests of the association at heart and realistic expectations of what can be accomplished. However, the committee has a duty not to routinely rubber-stamp every proposal brought to it. It should only approve resolutions it understands and the majority clearly believes are in the best interest of the association.

The committee should never approve a questionable resolution on the assumption (or hope) that the membership will reject it or, if enacted, the leadership will choose not to implement it. This may place an unfair burden on the board and on management in particular. The leadership often has to prioritize policies because it doesn't have the resources to push all of them at once. This chore becomes more difficult if even one member is vigorously calling for a concerted effort on behalf of a less impor-

tant, or even undesirable, policy.

An important element of the sifting process is to anticipate the consequences of adopting a policy and having it implemented. Sometimes a policy which, at first glance, appears to be in the best interests of the cooperative may, upon closer examination, pose problems that should be avoided.

For example, several members of a cooperative dealing in animal products were having trouble with a wild predator and proposed a policy calling for eradication of the bothersome animal. While this policy would have been popular with at least some portion of the membership, the resolutions committee foresaw that it would also have alienated environmental and animal rights groups. After a brisk discussion, the committee voted to reject the proposed policy. It made the difficult decision on the basis that it was more in the best interest of the association to avoid a confrontation with these groups than to support the members' proposal.

In another example, dairy producers convinced their State's milk control commission to raise the price handlers had to pay in-State producers of milk above market levels. The producers failed to foresee that processors would arrange for out-of-State milk to be shipped into the State at less total cost to them than local milk. Cooperative leaders, unable to stop the flow of milk from out-of-State and unable to reverse the price increase rapidly enough to protect their members, resorted to under-the-table rebates to processors to make sales. This, in turn, led to a protracted lawsuit by members against the cooperative, its directors, and the handlers. All could have been avoided if the producers had thought through the consequences of their push for high mandatory minimum prices. See *Knuth v. Erie-Crawford Dairy Cooperative Ass'n*, 463 F.2d 470 (3rd Cir. 1972).

Review of Existing Policies While this discussion has focused on development of new policies, cooperatives should also review existing policies on a regular basis. The chairperson of the resolutions committee should make sure all committee members have a copy of the existing resolutions well before

the meeting so they have time to consider possible modifications. The chairperson might also meet with the manager and board president to look for policies that are outdated or appropriate for change.

Many cooperatives require the resolutions committee to review policies that have not been given formal consideration for a specific number of years, often 5 years. The committee recommends to the membership that such policies be reaffirmed, amended, or deleted. While some view discarding old policies the same way they view discarding old slippers, something to be avoided at virtually any cost, it is a good idea to delete policies that have outlived their usefulness. This mandatory review procedure provides a vehicle to keep the policies current and management's attention focused on the issues that really need to be addressed.

In summary, the job of the resolutions committee is to develop a set of policy resolutions that reflect positions that are in the best interest of the membership as a whole, not a vocal or emotional member or minority and not a particular segment of the association, such as the directors and/or the largest producers. If the committee performs its role well, it sets a solid foundation for the entire public policy program of the cooperative.

Membership Ratification

Cooperative leaders are sometimes tempted to keep things simple and handle policy matters themselves. Good leaders will be ever mindful of the basic principle that a cooperative is controlled by its members. Final approval of the policy resolutions should rest with the membership.

Ideally, the resolutions committee meets several weeks before the members' annual meeting so policy resolutions can be distributed to the members for their careful review before they arrive at the annual meeting. However, this is usually unrealistic. It can be difficult to get the resolutions committee members to come to a special meeting and it's an administrative burden for the staff to do a mass mailing of the resolutions.

Thus, the resolutions committee frequently meets at the

beginning of the annual meeting. When the committee adjourns, the staff should prepare a report for the membership containing the recommendations of the resolutions committee, showing clearly whether each recommendation is a reaffirmation of an existing policy, deletion of an existing policy, amendment to an existing policy, or a proposed new policy. The report should be made available to members attending the annual meeting as promptly as possible. Consideration of the resolutions should be at a scheduled time during the annual meeting.

Objectives of the resolution adoption process should be twofold, to enact the best possible resolutions and to build within members a positive attitude toward both the cooperative and its policies. Often the most important factor in determining how successful the association is in meeting those objectives is the skill of the presiding officer in controlling the discussion.

The presiding officer should be familiar with parliamentary procedure and insist that it be followed. Experience indicates it is usually best to have the board president chair the meeting and to have the chairperson of the resolutions committee move the adoption of each resolution committee recommendation on an individual basis. A recording secretary, perhaps the same person who performed that duty at the resolutions committee meeting, should be appointed to keep an accurate record of all happenings.

If the resolutions committee has met its primary responsibility of drafting resolutions that accurately reflect the desires of the membership as a whole, member votes can move at a fairly brisk pace. However, it is important that members have the opportunity to question committee spokesperson(s) about any resolution; to offer amendments to committee proposals; and, at the conclusion of the votes on committee proposals, to offer other policy proposals from the floor.

The skill of the person running the meeting to control discussion and action becomes critical when a resolutions committee proposal is challenged and when new policies are offered from the floor. The presiding officer must be able to exercise good judgment in assessing the merits of the proposal and the

degree of support it has among the members. Hopefully, he or she will be aware in advance of floor proposals and be ready to handle them in an appropriate manner.

An effective presiding officer uses the inherent authority of the chair judiciously. Discussion of a sensible alternative with widespread support might continue for a reasonable time. A less meritorious proposal with limited support can be dealt with more expeditiously.

Nothing chills membership enthusiasm for the resolutions review like a long, rambling speech by a member, no matter how laudable the speaker's intention might be. Perhaps the best tool available to the presiding officer to keep the meeting running smoothly is a rule, adopted by the membership, limiting any one member's right to speak on any one issue to a relatively short time. Two- or three-minute limits are not unreasonable. Then the rule should be enforced, with the understanding that the presiding officer may grant a limited extension to someone making a particularly important point about a valid membership concern.

Once the annual meeting is over, the secretary should see that the changes are combined with continuing policies in an organized fashion to produce a single, cogent document that expresses the official public policy positions of the cooperative.

IMPLEMENTING THE POLICY RESOLUTIONS

Drafting, evaluating, and enacting public policy resolutions is of limited value unless everyone in the cooperative structure is committed to achieving the stated objectives. This section of the report looks at strategies used by cooperatives that have been active and influential in forming public policy.

These strategies weren't automatically successful. They worked because the cooperatives that used them were willing to invest the time and effort to make them work.

The strategies must be used in a coordinated fashion to craft desired results. While the following discussion attempts to classify various elements of an effective policy program, sub-

stantial overlap occurs because implementing any one element requires use of some of the other elements.

Member Education / Communication

As discussed earlier, members may be reluctant to become involved in the public policy process. Once involved, their participation must be continually supported. Thus, a first priority in establishing an effective public policy program is effective member education and communication. This can build member understanding and interest in the public policy program, inform members about issues of concern, and turn out grassroots response when direct member involvement is needed to implement a policy position.

Both written and personal contacts are important. The cornerstone of the education and communications effort is a regular (usually monthly) newsletter from the leadership to the members informing them of association developments. Each newsletter should report on public policy activities. This provides a regular source of information to the members and reinforces other actions to convince them of the importance of this cooperative activity.

Board meetings and the annual membership meeting should include a public affairs report. Directors and members should be encouraged to ask questions of the person making the presentation. This brings director and member concerns into the open and builds familiarity and confidence in the public policy activity.

When circumstances warrant, leaders of cooperatives with successful policy programs schedule member briefings to discuss public policy issues. Some cooperatives schedule these sessions on a regular, periodic basis to keep members continually informed about, and involved in, the policy process. Others only call such meetings when a crisis arrives. Some do both.

Successful planning meetings have common traits. Sessions are usually held in the evening, after members have met most of their farm and off-farm job responsibilities. Generally, coopera-

tive staff explains issues identified as important, and ample time is provided for comments and questions from the membership.

One rule of thumb is to limit invitations to any one session so no more than 50 persons are likely to attend. This seems to be about the maximum number of participants that allows members to ask questions and comment without making the meeting last so long it loses its impact.

Another proven guideline is to schedule enough meetings so all invitees can drive to a site in less than 1 hour. Many members have other important demands on their time that make them reluctant to spend too much time in transit to any meeting.

Cooperatives with a large number of members and/or members spread over a large geographic area often conduct local or district meetings. Members are frequently asked to attend a specific meeting, usually the one closest to their home. But they are free to come to another session if for any reason the one nearest to them isn't convenient.

If a cooperative really wants to stimulate attendance, serve a good, free meal. People appreciate this amenity and it makes them feel the cooperative is providing something pleasant and useful for their time and effort, so they turn out.

Some thought should also go into the timing of the meetings. Avoid busy times for members, such as harvest. If possible, it often helps to time meetings after an important event such as a major industry meeting or a regular public occurrence; for example, a crop report. This gives the session a current focus and the prospect of an update becomes another incentive for members to attend.

A side benefit of special meetings to discuss current issues is their potential to attract new members. One cooperative executive reported that he frequently invites potential members to this type of meeting to expose them to the leadership the association plays in resolving policy problems. He estimates that if he signs up one new member a meeting, it pays for the meeting.

Direct Contacts with Policymakers

Personal contact is the most effective way to secure a commitment of support for a policy the cooperative wants. One of the hardest things for an elected official to do is look a constituent in the eye, especially a constituent considered to be a friend, and say he or she can't support the position of the constituent.

While the discretion of administrative officials is constrained by the scope of the statutes they implement, they often have some decisionmaking authority. Cooperatives should also take steps to get to know key administrators and educate them about the cooperative and its objectives.

A Register of "Who Knows Whom" In building a public policy program, an important early step is identifying those persons within the organization who have personal contacts with policymakers that might be used to benefit the membership as a whole. Cooperative leaders who have taken the time to ask are often surprised to discover how many members are service club colleagues, high school and college friends, business acquaintances, and even relatives of important policymakers in the community and sometimes at the State and Federal levels as well.

A key to learning of these relationships is asking in the appropriate way. Many people are intimidated by large groups and won't want to speak up on anything, let alone personal relationships. This issue is better raised in a small, local meeting or during a one-on-one conversation.

Also, to just ask "Do you know any politicians?" may turn off the respondent or not jog his or her memory enough to elicit a complete answer. The questioner should have a list of the policymaking bodies the cooperative works with and a real problem in mind. Then the issue can be raised, such as: "Joe, we're having a tough time getting the road in front of our farm supply store resurfaced. Do you know anyone on the county board of supervisors we might ask for some help?"

Once the subject of knowing public policymakers is on the

table, then the questioner can run through the other public bodies on the cooperative's list.

As contacts are discovered, they should be collected in a central file. When a particular public official needs to be contacted, the file can be checked. If any member or members know the official personally, they can be asked to help the cooperative in one of two ways. If the leadership has confidence in the ability of the member to communicate the cooperative's concerns to the official, that member can be asked to convey the cooperative's views directly. Otherwise, the member can be asked to contact the official and request that he or she meet with the appropriate cooperative spokesperson to discuss the matter. This can be a big help not only in gaining access to an official but also in securing the full attention of the official during the meeting.

Speaking *Invitations* An excellent way to familiarize policymakers with the cooperative and the membership to policymakers is to invite government officials to speak at cooperative functions. This gives the official visibility and an opportunity to solicit grassroots support for programs he or she advocates. It gives the cooperative the chance to educate the official on how the services of the cooperative benefit the community and to establish name and face recognition that may increase the value of contacts at a later date.

Here are a few tips that can increase the goodwill value of the visit:

- Most people like to hear a policymaker express views that coincide with their own. Unless a cooperative has a tolerant membership, invitations should be limited to persons who will say things members want to hear. There are valid reasons for inviting policymakers to speak who don't share the views of the membership: to expose the members to ideas they should hear, or to educate the speaker to the wisdom of the views of the members. But the usual result is a disgruntled membership asking why it was asked to waste its time listening to someone with opposite views.

- Be ready to be flexible on scheduling. If the visiting official is scheduled to speak at lunch but arrives at 10 a.m. and wants to speak right away, be accommodating if at all possible. Many elected and appointed officials have busy schedules that change quickly for reasons that really are beyond their control. If the cooperative can help them out of a bind one day, they may be more willing to go the extra mile to help get the cooperative out of a bind another time.

Occasionally, a public official will have to cancel on short notice. In many instances, they will offer to make a member of their staff available to fill the void. The importance of staff contacts will be discussed later. For now, let's just say the cooperative should welcome the staff member and treat that person with the same respect it would have shown the invited official.

- Use the public official to reinforce your educational efforts on the need for active involvement in the public policy process. Most public officials believe in the public policy process and will gladly include some comments in their remarks about the importance of working with policymakers. These comments, coming from a public official, will often carry more weight than the same comments from a cooperative official.

- Consider establishing some form of award program, to tie the cooperative to the most important policy figures it seeks to influence. Being designated an award recipient makes it more, difficult for many people to turn down an invitation to speak (some cooperatives may have made the presentation of the award contingent on agreeing to speak). And a nice plaque commemorating the award might well be hung in the recipient's office putting the cooperative's name in constant view of the policy-maker and everyone who visits the office.

- If the official's schedule permits, give him or her time to meet the members. This is especially important if your guest is an elected official. Often the leadership will want to discuss important issues with the official while they have a captive audience. Try to schedule a large enough block of time with the official to both discuss those issues in a quiet setting and provide the opportunity for some handshaking and small talk with the members.

If the function is held at or near a cooperative facility, a tour can be included. This will impress the visiting official with the people (voting constituents) of the cooperative. And it will give members and employees a good feeling about the cooperative because the cooperative brought them into personal contact with someone important.

If a speaking invitation isn't practical, a special visit to the cooperative can also be beneficial. While it doesn't have the impact of direct contact with the membership, it does give leadership the opportunity to show the official how the cooperative benefits the community and to talk about issues in a controlled setting.

Once the visit is over, send a prompt and thoughtful **thank-you** letter to the guest. Even if the visit didn't go well, let the official know the cooperative appreciated the guest taking time from his or her busy schedule and that the cooperative looks forward to working with the official in the future. This is the chance to make the last impression of the contact on the **policy-maker** an upbeat and positive one, smoothing further access when it's needed.

Visiting a Policymaker A successful call on a legislative or administrative official is like any other business conference; careful preparation is essential to accomplishing your goals.

One important planning decision is determining who'll represent the cooperative. The representative group should be limited to persons who'll add something to the meeting. Someone who can speak articulately about the cooperative and an expert on the issue under consideration should be included. Both roles may, of course, be fulfilled by the same individual.

If the person being visited is an elected official, one or more constituents should be included if possible. A "Who Knows Whom" register can be useful in identifying the best possible constituents to ask to attend.

Once the attendees are identified, the leadership should decide what points will be raised and who'll explain them. During this process the planners should keep in mind that last minute scheduling requirements of the official being visited may

necessitate that the meeting be brief, perhaps shorter than originally planned or than they would like. A succinct presentation should be planned, one that permits the official to ask questions if time permits.

Major points should be outlined in a written briefing paper that can be left with the official. Preferably, the paper will be limited to one page. If a long paper has been prepared, highlights should be presented on the cover page. This helps the official refresh his or her memory about the cooperative's position when the issue comes up for decision. The paper can also be copied and distributed to other policymakers, by both the cooperative and the official visited, thereby increasing the exposure of the cooperative and its policy position.

Spokespersons should be individuals who can be trusted to stick to the points and not confuse the issue with a volley of personal opinions. Questions should be answered by the person best able to respond unless the official requests the views of a particular individual.

All cooperative representatives should be able to handle a question they don't know how to answer. That means not trying to make up an answer, but rather stating they don't know but will make every effort to find the answer and respond as soon as possible.

Everyone should be courteous and respectful throughout the meeting, even if the attendees aren't pleased with the official's reaction to their comments. And after the meeting, one or more of the attendees should write and thank the official for taking time to discuss their views. Each visit should be considered part of a long-term program to improve the public policy environment for the cooperative. That can mean accepting disappointments gracefully to maximize the chances of winning other victories down the road.

Testifying at Formal Hearings

As the cooperative's interest and expertise in various issues becomes recognized, it may be invited to present formal testi-

mony at a public hearing. Both legislative and administrative bodies use hearings as a means of gathering information and testing the level of support for various policy proposals.

Most hearings allow for submission of a written statement for inclusion in the hearing record, an oral statement by the witness, and an opportunity for the persons conducting the hearing to ask questions if they so choose. As soon as the request to appear is received, the cooperative should find out if there are any limits on the length of the written statement or the oral presentation and plan its presentations accordingly.

As for oral testimony, experienced witnesses plan for a short presentation even if the body conducting the hearing doesn't request one in advance. Hearing schedules, like other aspects of the policy process, have a tendency to be compressed by other demands for time. While the cooperative witness may have been told he or she would have up to 15 minutes to talk, as the witness gets ready to begin the presentation the person chairing the hearing is likely to say, "Ms. Smith, we are running a little behind schedule. We'll include your entire written statement in the record. Would you summarize your main points in 2 or 3 minutes please."

The prepared witness calmly responds "Yes, Mr. (Madam) Chairman" and presents the summary prepared in anticipation of just such a request.

The same careful planning should go into selecting who'll testify and what points to cover, as in preparing for visiting a decisionmaker. Particular attention should be focused on selecting the witness. Because the appearance, including the question and answer period, is public the person selected should be both a good speaker and able to respond to questions with reasoned and concise answers.

While an appearance at a hearing can advance a public policy program, the benefits aren't always what they might seem to be. Cooperatives that testify on a regular basis have found their testimony may have little impact on the outcome of the issue under consideration. Much more is often accomplished during personal meetings with key officials. Taking part in hearings can supplement the personal contacts, but shouldn't be con-

sidered as a substitute for those contacts.

Hearing appearances can, however, have a positive impact on the perception of the public policy program within the cooperative. They are a sign that the cooperative has status in the policy arena and that the resources devoted to the policy process are bringing results. That perception can be enhanced by a prominent story on each appearance in the cooperative newsletter and a report on the testimony in public policy briefings to the directors and members. Most hearings permit, or even encourage, taking pictures. Shots of the cooperative spokesperson giving testimony or shaking hands with officials before or after the hearing can be displayed in newsletters and at member meetings.

Public officials, particularly elected officials, appreciate having themselves mentioned to the people in a positive light. Copies of complimentary articles and pictures that include public officials should be forwarded to the officials so they know the cooperative is publicizing their involvement with the cooperative.

Fundraiser Question

Probably the most delicate issue in planning a public policy program is dealing with the need of elected officials to raise money to finance election campaigns.

Direct contributions of a business's funds to persons running for office are generally prohibited by law. However, individuals with an interest in a company or industry can provide a limited amount of personal funds to a combined pool of money for making contributions on behalf of that company or industry. Several cooperatives and cooperative trade associations have such a Political Action Committee (PAC) fund.

Overall responsibility for administering the PAC is usually vested in a public affairs committee composed of cooperative members. This committee usually helps raise funds and sets limits on contributions to individual candidates. It also plays a role in deciding who will receive contributions. Sometimes it merely establishes guidelines for management and in other instances it prepares the list of recipients.

While the PAC can be an important part of a public policy program, drawbacks may make it impractical for many local cooperatives to form a PAC. If a local cooperative is part of a federated system or a State or national cooperative trade association, it can participate in campaign financing through the larger organization's PAC.

Indirect Political Action

Far less controversial is the participation by a cooperative in so-called apolitical or indirect political action. This involves nonpartisan efforts to get cooperative members and other citizens to exercise their political rights, particularly the right to vote. Many cooperatives lend their good name as well as financial and personnel support for voter registration and **get-out-the-vote** efforts. These activities increase public awareness of the cooperative and enhance its image as a solid corporate citizen in the community.

Don't Forget the Staff

Legislators and administrative officials must frequently deal with vastly different issues in rapid-fire succession. It is impossible for them to be experts in the subtleties of all the issues to the degree of persons focusing on a single issue. Therefore, they rely on staff members and advisers with expertise in specific fields to give them direction.

Two types of staff members are usually targeted for special attention, senior advisers to officials of particular importance to the cooperative and staff persons assigned to issues of special significance. Cooperative leaders should get to know these people on an individual basis. As with public officials, efforts should be made to identify members with personal relationships with staff who can facilitate initial contacts.

In some ways, working with staff is easier than working with officials. Staff is often easier to contact. And staff members frequently have a knowledge of the issue that permits a more thorough discussion of the nuances involved. While some people

complain that staff members have too much influence over public policy, perceptive cooperatives recognize the value of good relations with staff and consider time spent with key staff to be as valuable as time spent with the policymakers.

Value of Coalitions

As the demographical information used to introduce this report shows, rural residents simply don't have the raw political power to set public policy agendas. One way to increase the likelihood of securing favorable policy is to work with other groups, or coalitions, of people to secure common goals.

Coalitions are effective and necessary at all levels of policy. At the national level, producer and consumer groups may sharply disagree on some policy issues. However, they work together to fashion the Food Stamp and School Lunch Programs. These programs help farmers sell product and poorer citizens benefit from improved diets. Effective leaders in the public policy arena know that the system works best when they "agree to disagree" when their interests are at odds and "cooperate" when their interests coincide.

Trade Associations

There's a well-worn cliché that if you can see it, touch it, or smell it, there's a trade association to promote it. Trade associations are formalized coalitions of citizens that usually share common positions on public policy issues.

Numerous trade associations serve agricultural producers and their cooperatives.² One of the services provided by various trade associations is to present their members' views to the legislators and administrators who make public policy. This gives

² For a description of national associations serving cooperatives, general farm organizations and State cooperative councils, see *Organizations Serving Cooperatives*, Cooperative Information Report 1, Section 5, published by Agricultural Cooperative Service, USDA. Addresses and telephone numbers are provided. This report is updated periodically to keep the information current.

members a ready vehicle to convey their views on virtually any issue of importance.

Some cooperatives pay their dues and limit their involvement to an occasional comment about something the association does.

Cooperatives that want to promote favorable public policy take an active role in trade associations. Members and employees serve on association committees and take their turns being committee chairpersons and association officers.

Active participation benefits the cooperative membership in several ways. The cooperative often learns of potential policy problems and opportunities early enough to develop a reasoned response to the situation. Cooperative leaders can learn from other cooperatives how various situations are being approached. The cooperative can have a voice in setting industry policy objectives and programs. And cooperatives can hire professional staff on a collective basis to implement their policy programs.

Trade associations require an investment in both financial resources (to pay dues and travel expenses of people attending meetings) and staff and member time. But they often prove to be a cost-effective way to shape public policy.

Grassroots Response

While an effective public policy initiative may seem to require a substantial investment of resources in developing an internal program, molding coalitions, and supporting trade associations, at times this investment still isn't enough to accomplish the cooperative's objectives. The association must stimulate direct membership involvement, often referred to as a grassroots effort.

As members tend to have limited patience for calls for action, use of total grassroots campaigns should be limited. More than one a year tests the members' dedication.

The highest level of response is usually triggered by presenting members with a pre-printed, pre-addressed, pre-stamped postcard they simply sign and drop in the mailbox. From the

volume of mail received, the policymaker gets an indication of the numbers of supporters for a position.

A much lower level of support can be more effective when it consists of individually written letters drafted by the members expressing support, in their own words, for the cooperative's position. This shows a real concern by the member for the issue under consideration.

Twin Towers of Success — Credibility and Patience

The foundations of a successful public policy program are credibility and patience.

Credibility means being a reliable source of accurate, dependable information about issues under review. It means more than providing information that supports your position that you think (hope) is correct. It means doing your homework before calling on policymakers so you are sure of your facts.

It also means being able to identify, articulate, and analyze the arguments on the other side of the issue. No one likes to be blindsided. It can be very embarrassing for a public official to endorse the cooperative's position only to learn later of substantial, well-reasoned opposition.

Spokespersons for successful public policy programs inform policymakers of the opposition as well as the support for their positions so the official can make a defensible stand. This can sometimes mean not getting all of the short-run support hoped for on a given issue. But a public policy program should be viewed as a long-term undertaking. And every credible presentation made to an official builds that official's confidence in the cooperative, which translates into easier access and greater attention to the cooperative's views on each subsequent issue under review.

Patience means not expecting total victory on an issue or implementation of a cooperative's entire program every year. Policymaking is the art of compromise. Some proposals will be truly noncontroversial and may be promptly implemented as prepared by the cooperative. But others may generate substantial opposition, based sometimes on reason and sometimes on mis-

conceptions. Even if all of the logical arguments favor the cooperative position, adroit advocates take what they can get at any one time, express appreciation for the support received, and regroup to seek a little more at the next appropriate opportunity.

Determining Success

One of the frustrating aspects of a public policy program is the difficulty in measuring its success in concrete, bottom-line terms. Often efforts result in only partial victories, or no victory at all. And sometimes a victory is achieved only after the use of such intense pressure and requesting so many favors that it cripples the effectiveness of the cooperative to attain future policy objectives. While the expressed intent of the program is to generate cost-effective, positive results in public policy, assessing success or failure on a quarterly or even fiscal year basis can be risky and fruitless. Only a long-range assessment, often using subjective criteria, will show the impact of the program on the quality of life of the members.

Public policy professionals often measure the success of a program using a test only somewhat related to wins and losses. Much of the material in this report has focused on attempting to get the attention of policymakers so they will listen to your positions. Perhaps a public policy program has reached a commendable level of success when policymakers begin coming to the cooperative and soliciting the cooperative's views of policy proposals.

Calls don't have to come from the White House or the Governor's mansion. If a cooperative has been active in local affairs and the city manager or county supervisors begin soliciting its views, then a desirable level of credibility has probably been established and sufficient patience exhibited.

Now the cooperative is in a position to mold public policy from the inside out and have its thoughts incorporated in official positions before they become official. This won't negate the need for continued hard work or ensure success in every effort. But it will give the cooperative a valuable start in maximizing the return to the members of their investment in the public policy process.