

Ag-Based Economic Development: Implications for the Dairy Industry

Cornell Conference on Dairy Markets and Product Research

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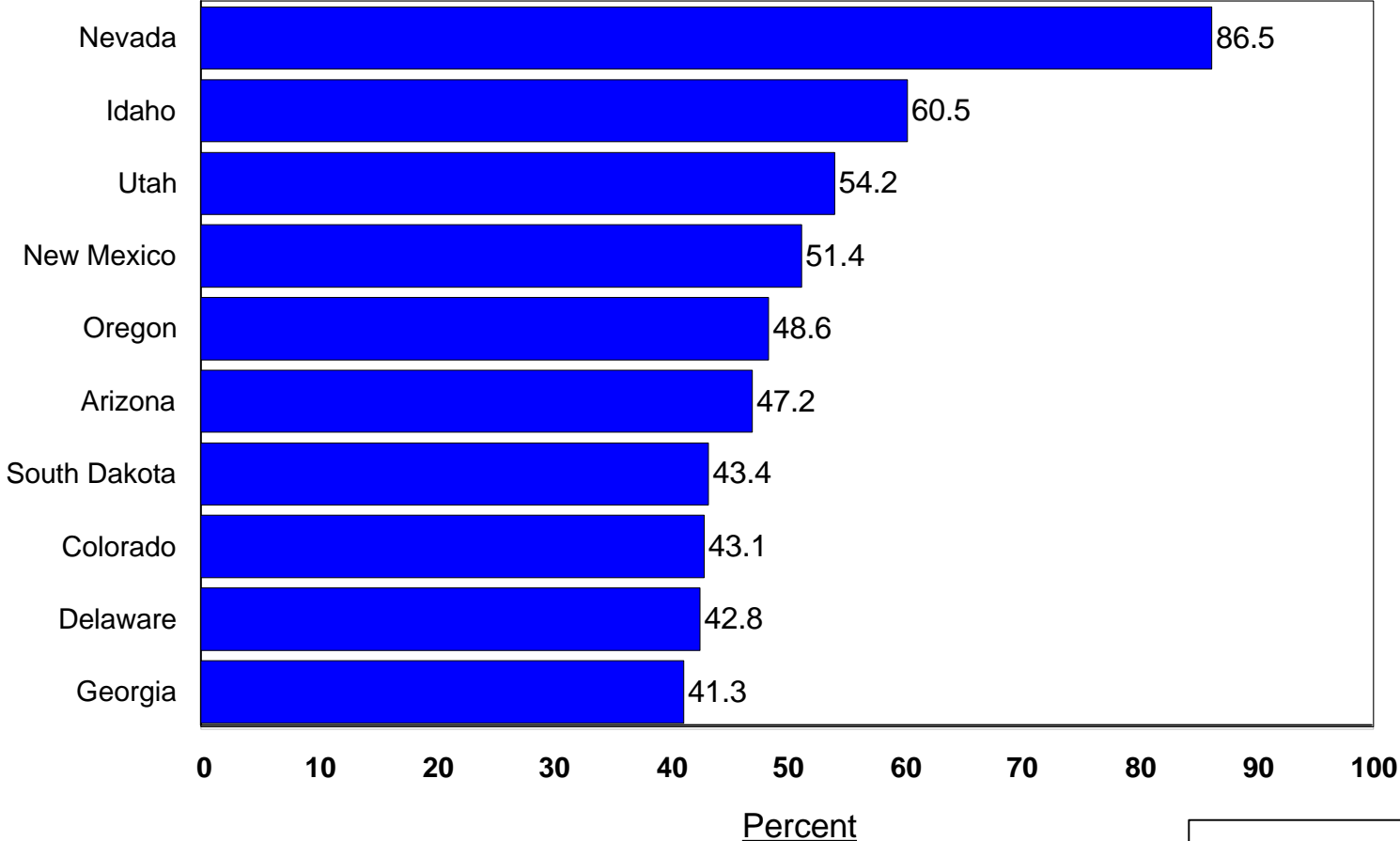
Today's presentation

- Motivation for focusing on ag-based economic development issues
- Some definitions
- Position of the dairy industry in the New York economy
- Strategic concerns for the NYS farm and food sectors

Motivation for Ag-Based Economic Development Effort in NYS

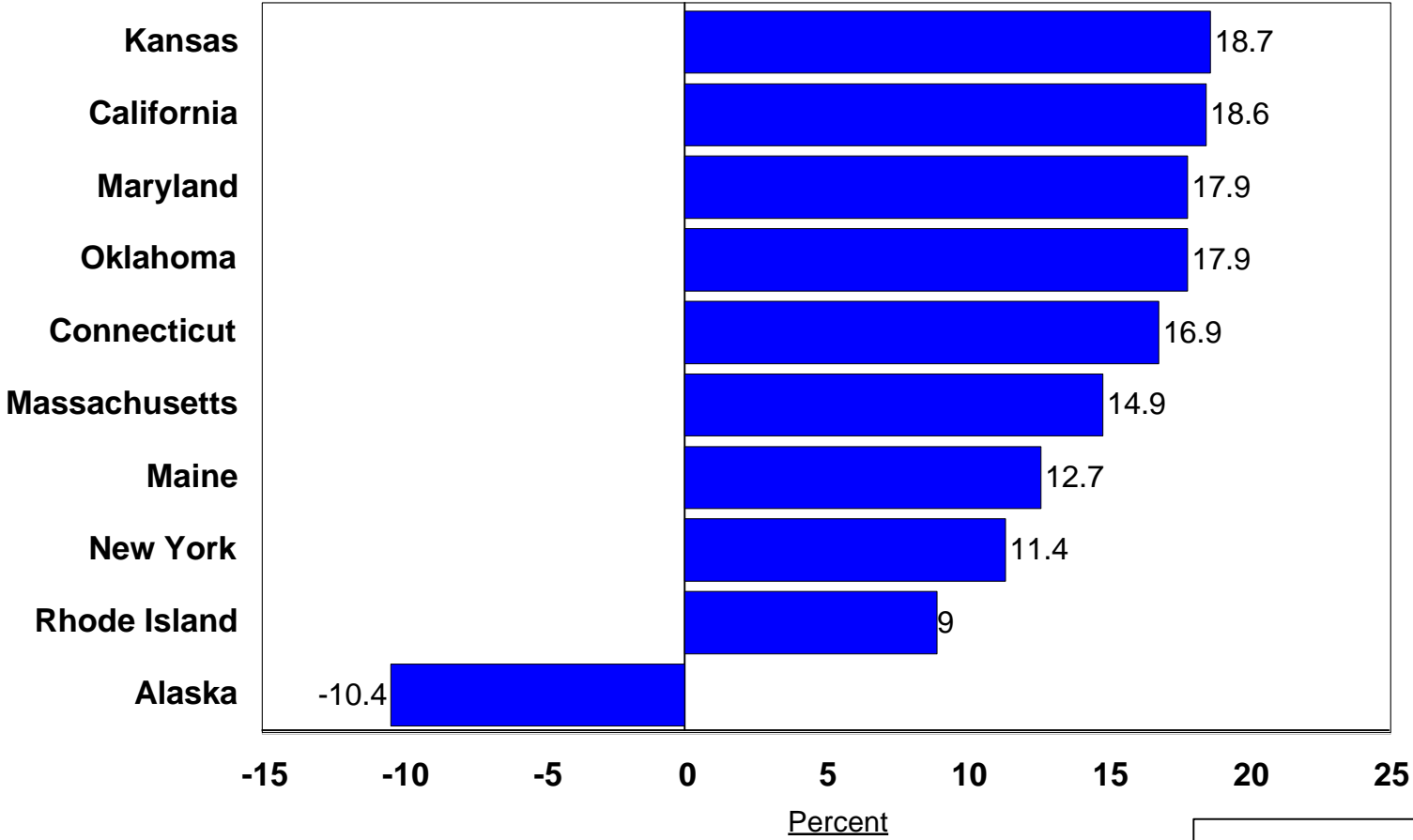
- Stagnant state economy
- Unexploited opportunities to boost performance in agriculture and food sectors
- "Environmental" considerations
 - ✓ Landscape
 - ✓ Community

Change in gross state product (GSP), 10 fast-growth states, 1987-96



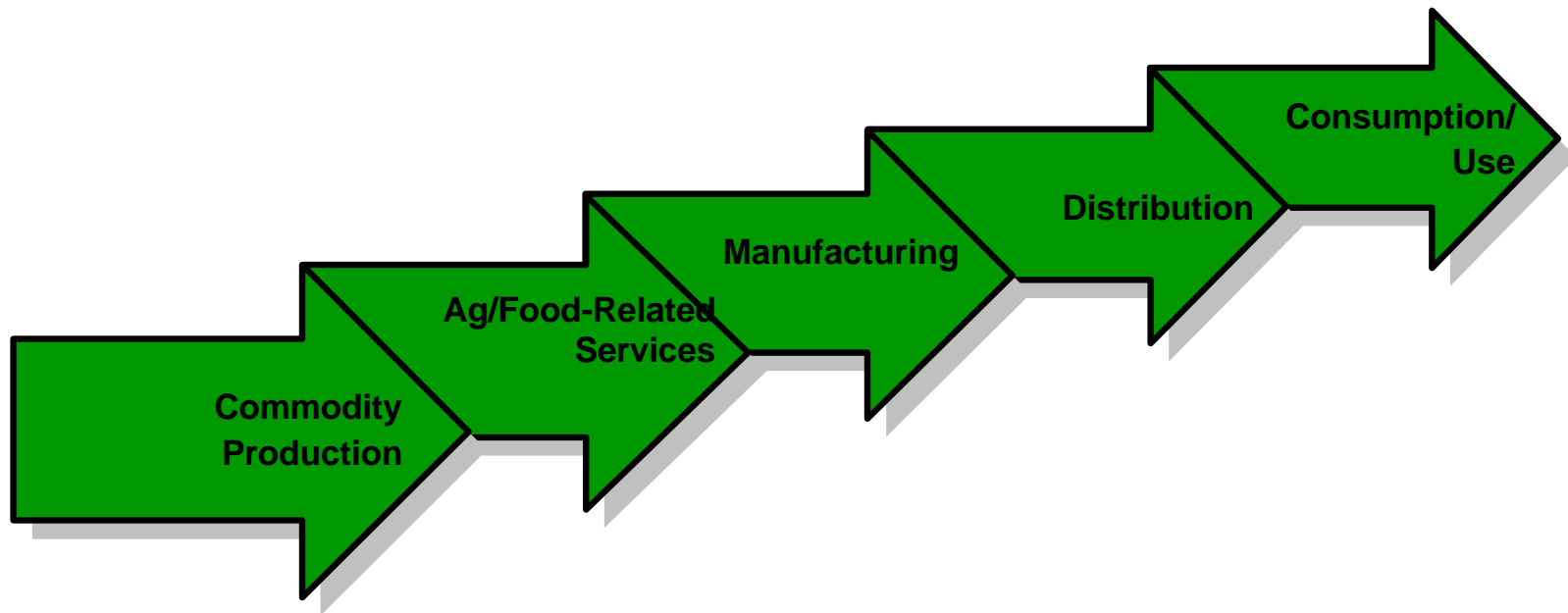
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Change in gross state product (GSP), 10 slow-growth states, 1987-96

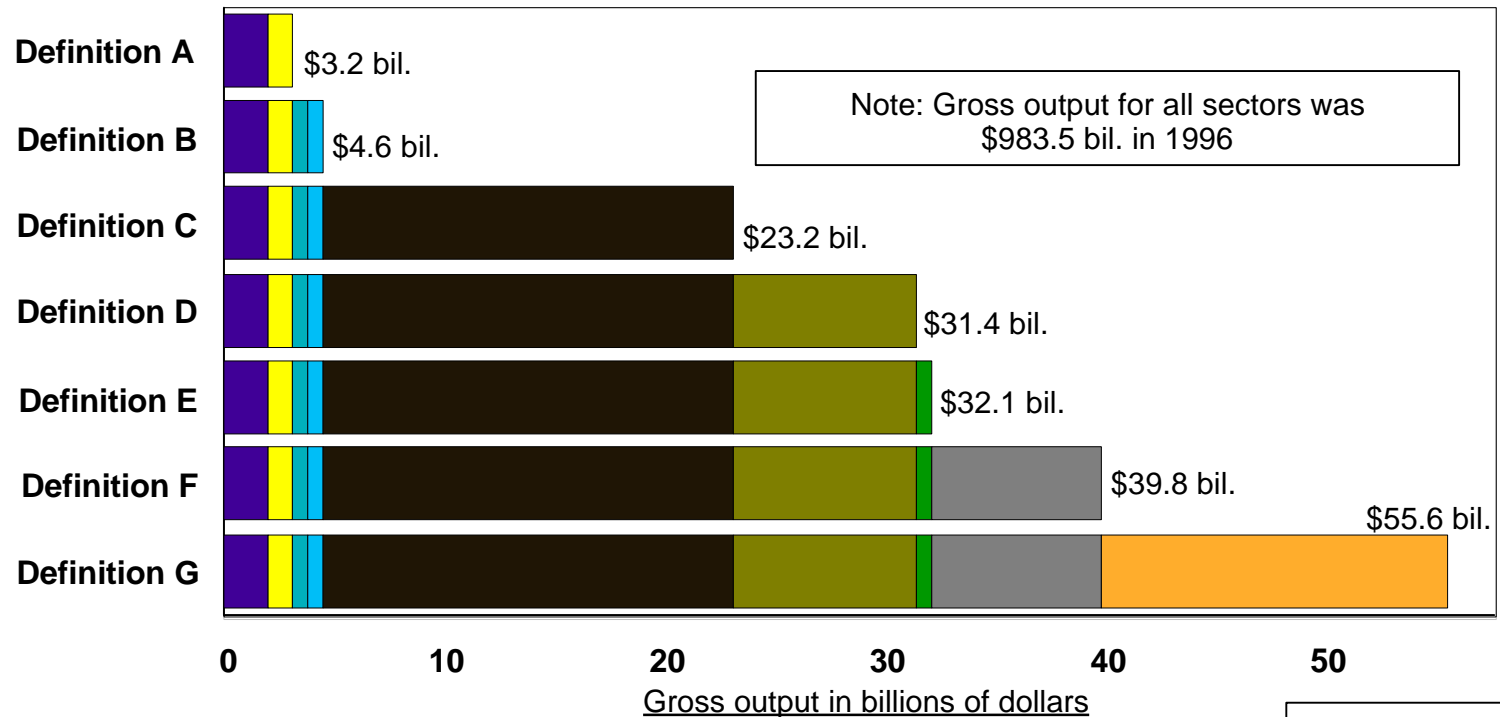
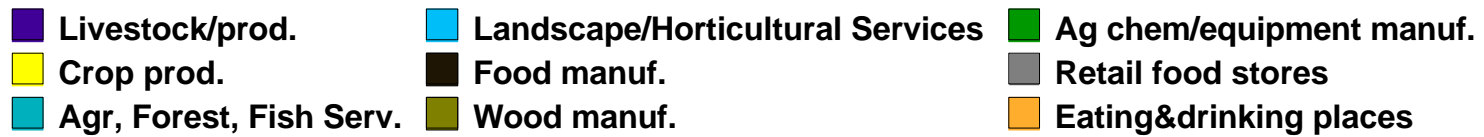


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The Agriculture and Food System



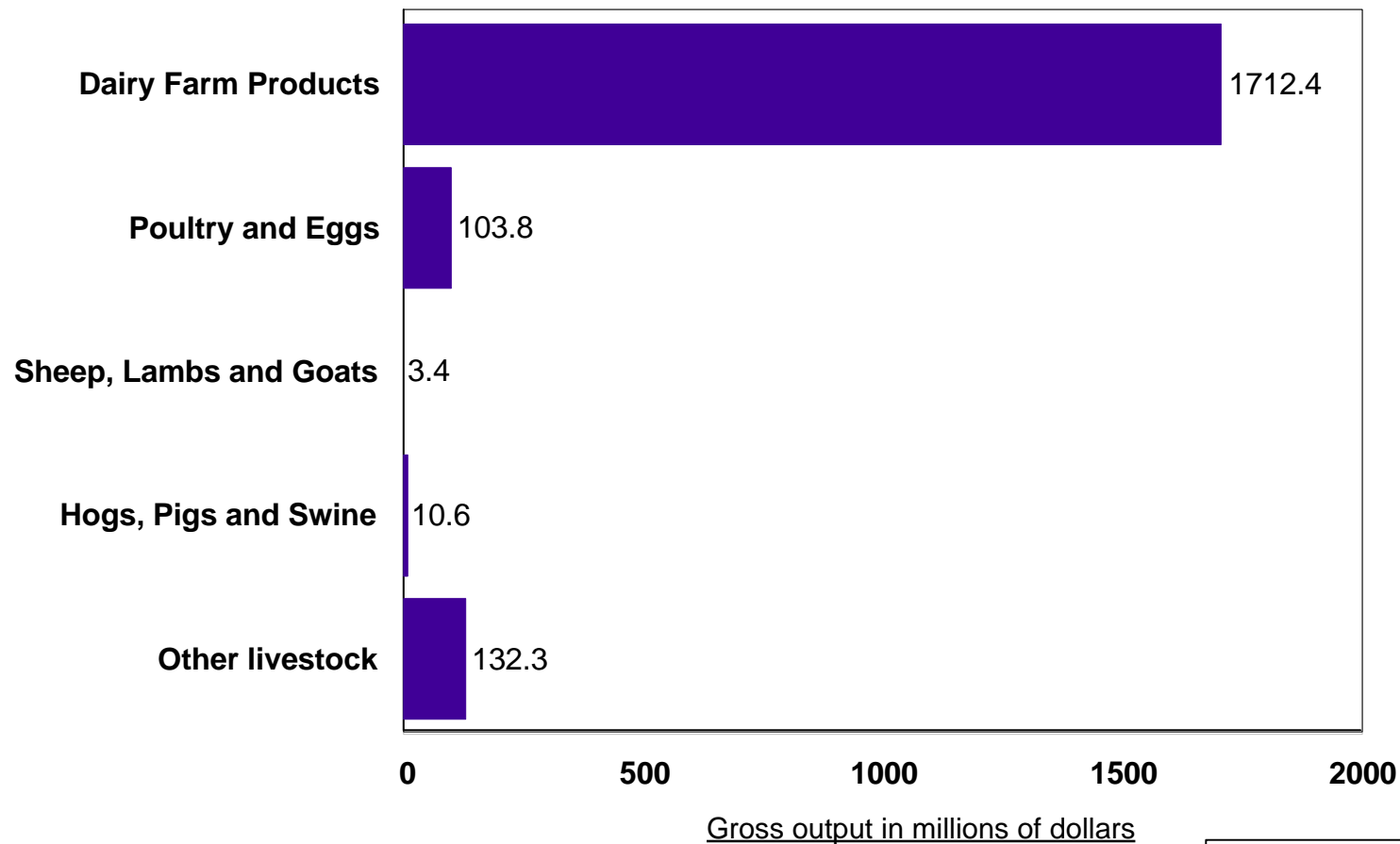
Defining food and agriculture : Value of output by industrial sector, New York State, 1996



Source: IMPLAN, MIG, Inc.

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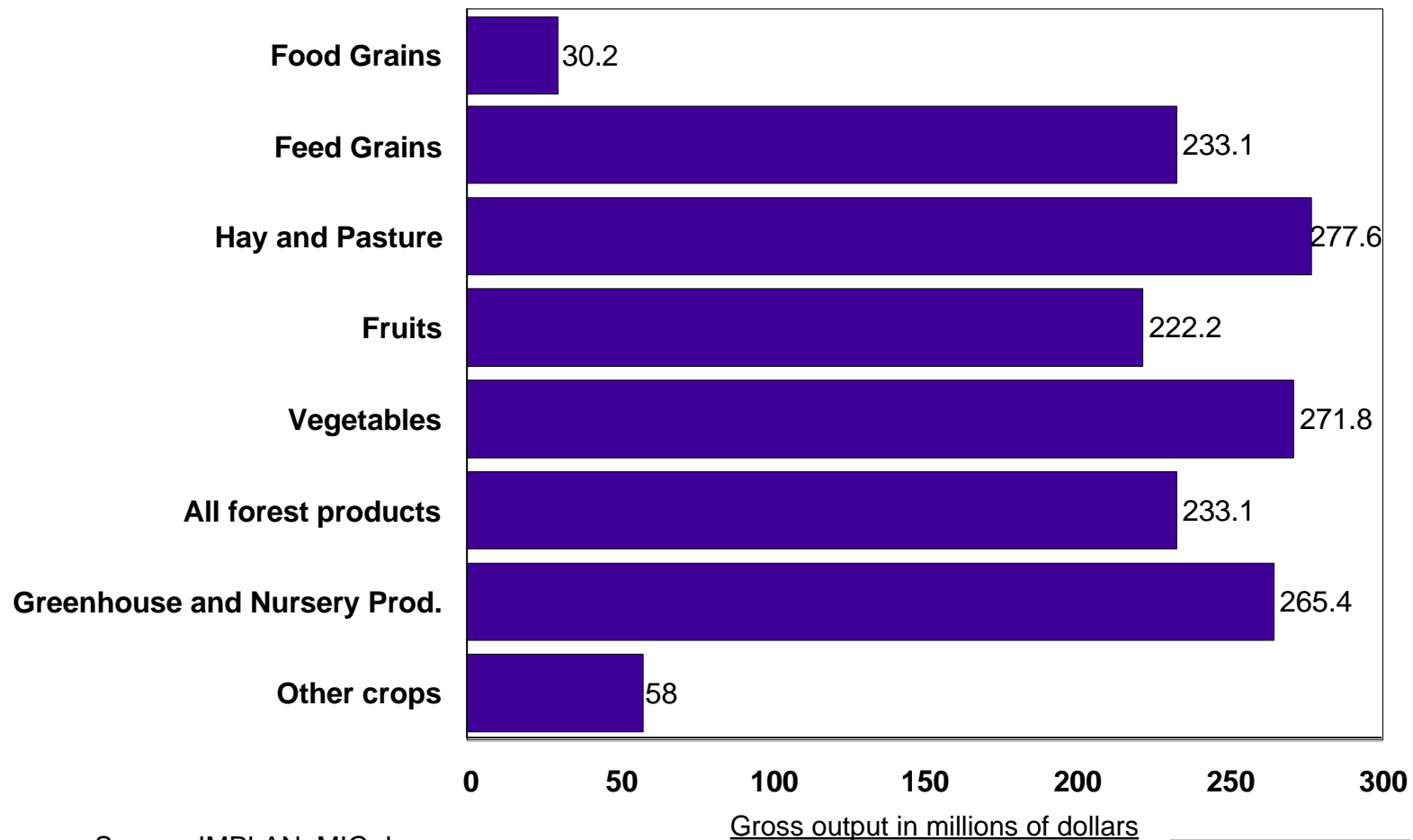
Value of output: livestock/livestock products, New York, 1996



Source: IMPLAN, MIG, Inc.

Prepared by N.L. Bills

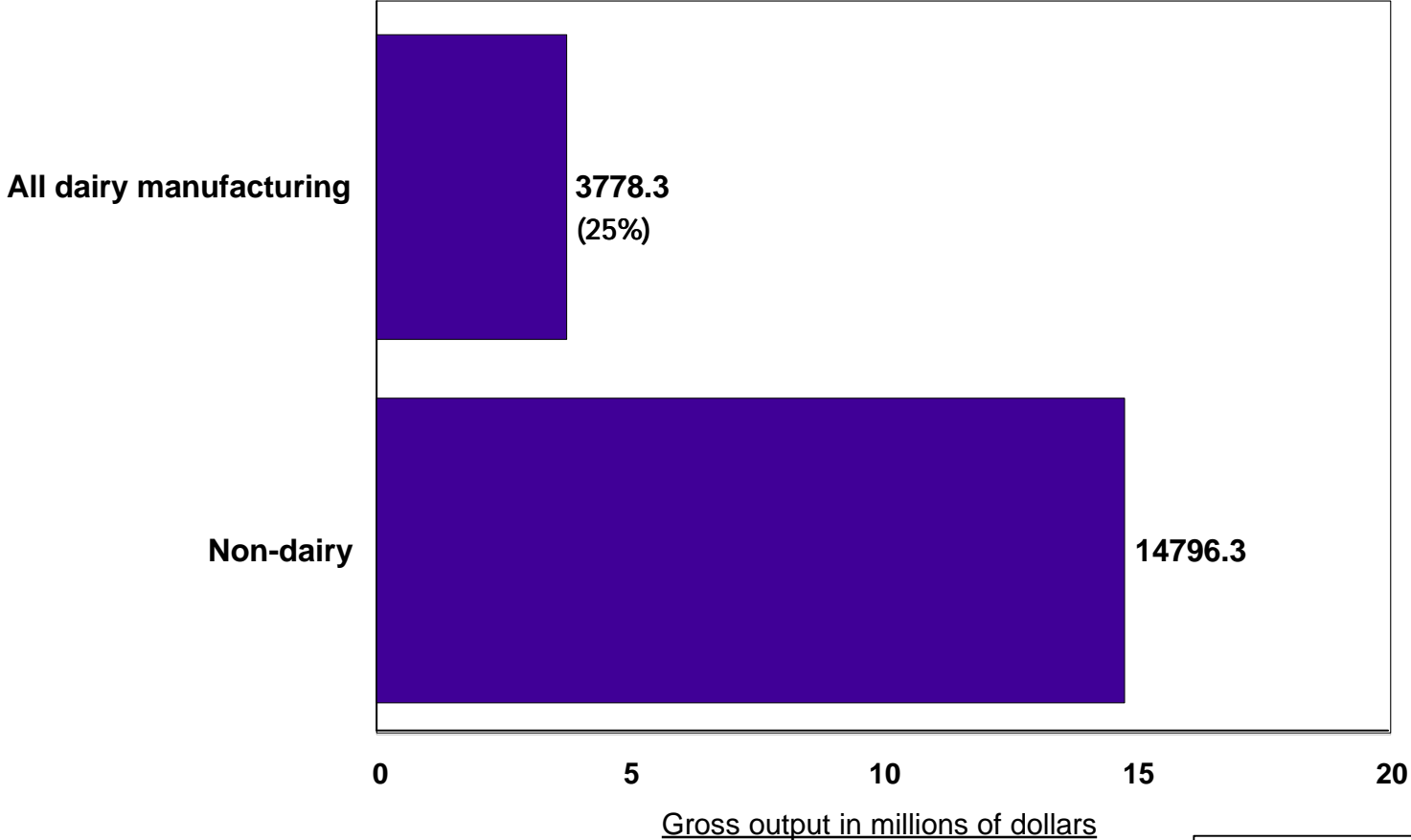
Value of output: crops, New York, 1996



Source: IMPLAN, MIG, Inc.

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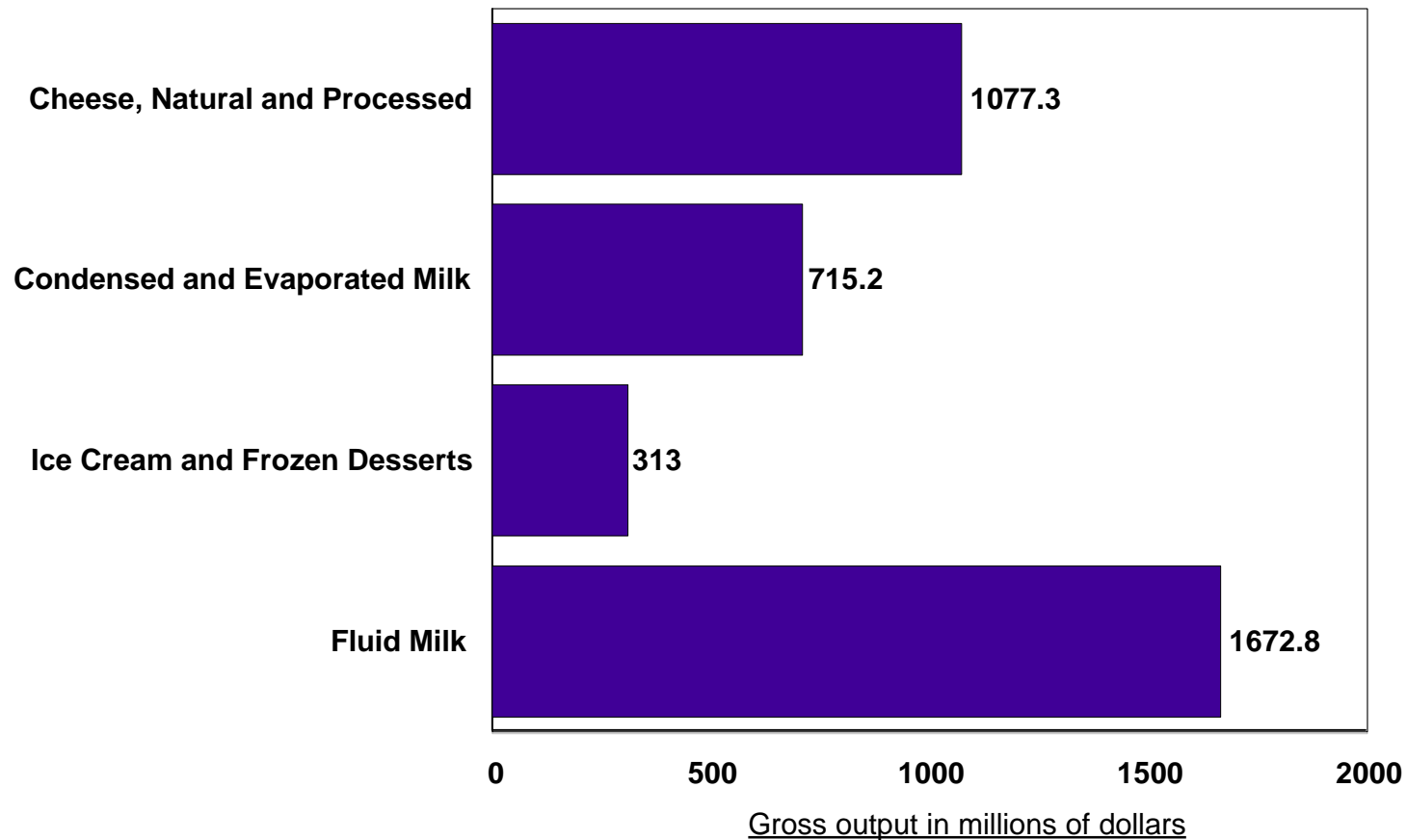
Value of output: food manufacturing, New York, 1996



Source: IMPLAN, MIG, Inc.

Prepared by N.L. Bills

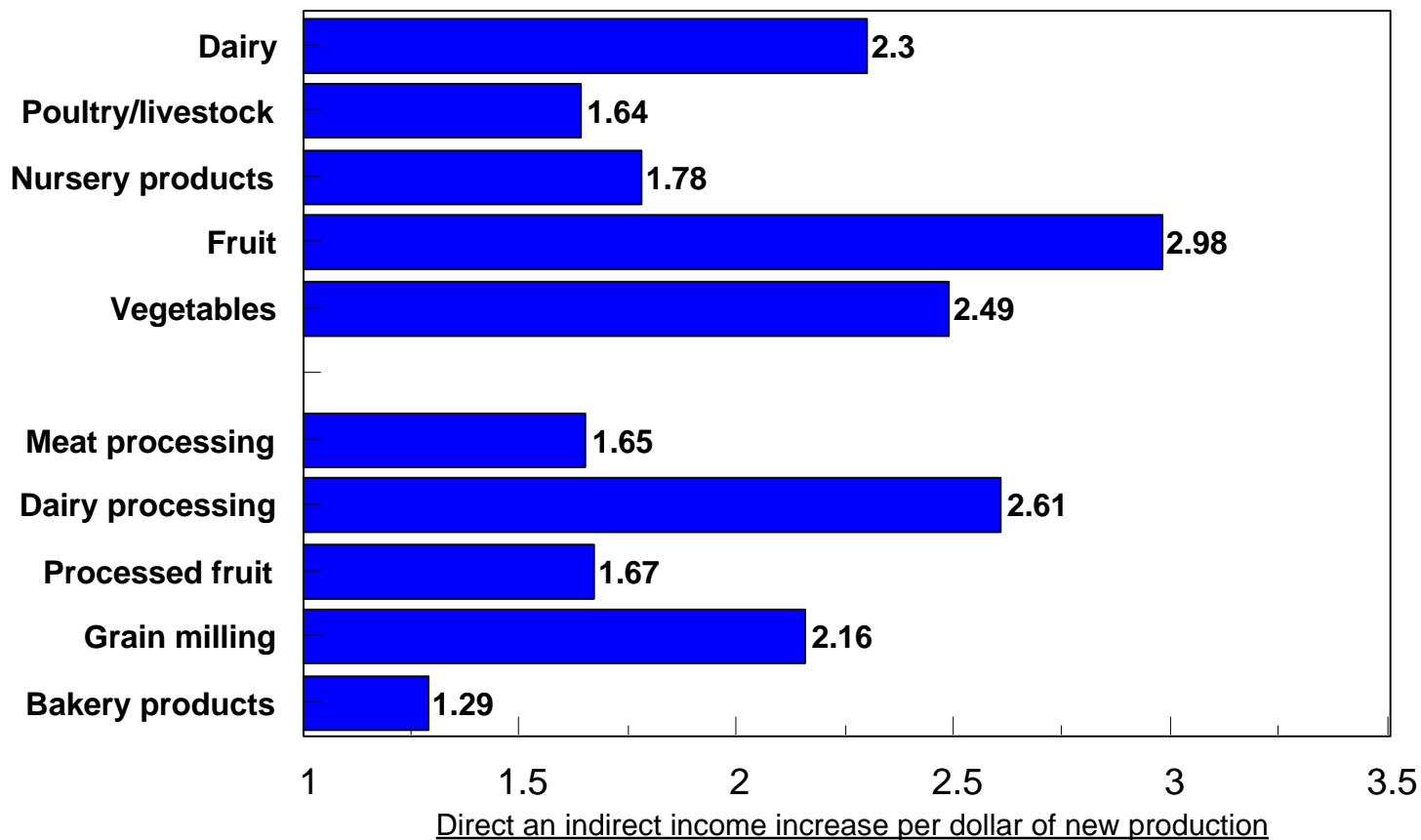
Value of output: selected dairy food manufacturing sectors, New York, 1996



Source: IMPLAN, MIG, Inc.

Prepared by N.L. Bills

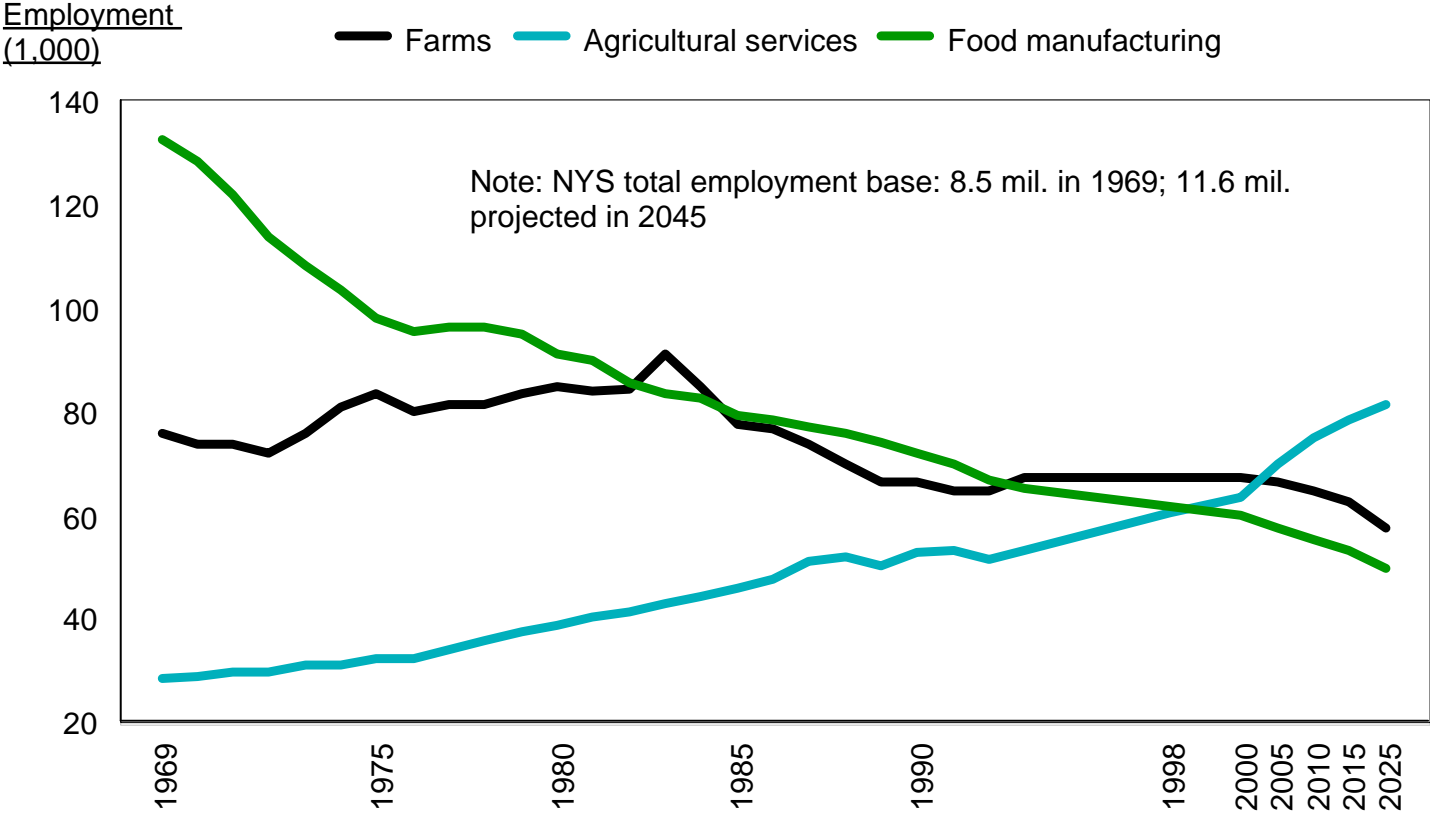
Income multipliers for selected New York food production and processing sectors



Source: Jack, Bills, and Boisvert, 1996

Prepared by N.L. Bills

Employment in "food and agriculture", New York, selected years, 1969-1998 with projections to 2025



Source: US Dept. Commerce, Bureau of Economic Analysis

Strategies for 'growing' New York State's food and agriculture system

- More export sales?
 - ✓ International markets
 - ✓ Regional/national markets
- Fewer imports?
- Expand product mix?
 - ✓ Bulk commodities
 - ✓ HVPs (high value products)
- Direct marketing?
- Price enhancement?
 - ✓ Labeling
 - ✓ Added services