Leadership and Governance in Australian Agriculture

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ABSTRACT

This paper addresses determinants of leadership and governance in representative organisations in Australian agriculture. It argues that both are primarily driven by ideology and that social networks, social identity, organisational culture including the concepts of conformity, patriarchy and the male hegemony of rural Australia, are used to ensure that the choice of those elected to leadership positions is constrained by that ideology. This paper refers to the literature, and interview and survey data. An explanation is advanced of how the dominant agrarian-socialist ideology has determined that agricultural leadership and governance are constrained by political choices that perpetuate historical institutionalism and associated tight policy networks ensuring change will not occur even in the face of evidence for why it should.

Keywords: leadership, governance, rural Australia, male hegemony, patriarchy

Leadership – the process by which a person or group are able to influence and guide others towards fulfilling the goals and expectations of an organisation and governance, the processes of interaction and decision making by which a board manages the affairs or fiduciary responsibilities of an organisation, guiding the development of an appropriate culture that can achieve its mission and goals and benefit those whom the organisation serves (Stephen Bartos, 2006a; McShane & Glinow, 2000).

This paper addresses determinants of leadership and governance in representative and corporate organisations in Australian agriculture. It argues that organisational leadership and industry governance is driven by political ideology and that existing social networks, social identity, organisational culture with particular reference to conformity and patriarchy are the mechanisms used to ensure that the choice of those who fill leadership and governance positions is constrained by that ideology and the male hegemony of rural society. The paper is based on research completed for a doctoral study and includes a brief look at the literature pertaining to the agricultural and pastoral industries, agrarianism and historical institutionalism. It also draws on analysis of both quantitative and qualitative data obtained through interviews and a survey of industry members. An explanation is advanced of how the dominant agrarian-socialism of Australian agriculture has determined that leadership and governance is constrained by political choices aimed at perpetuating historical institutionalism and its associated, supporting 'tight policy networks'. These institutions and networks ensure change will not occur, even in the face of evidence for why it should and as such, are

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incompatible with the western corporate world where the ability to adapt rapidly to exogenous global economic and political shocks is critical to survival.

BACKGROUND

Over the past two decades, Australia's two greatest agricultural export industries, wool and wheat, have fallen victim to spectacular failures in both leadership and governance. The wool industry was once the jewel in Australia's crown:

> ....the backbone of the nation's economy for 120 years, being the nation's largest export earner and wealth builder for all but a decade in that period (Massy 2011, p. xxi)

Sadly it has been decimated, and reduced to a shadow of its former self while the wheat industry has been humiliated by scandal and intrigue (Stephen Bartos, 2006b; Massy, 2011).

On February 11, 1991, the Federal Labor Minister for Agriculture John Kerin announced the suspension of the Australian Wool Reserve Price Scheme (RPS). By the time this action was taken, the Chairman and board of directors of the Australian Wool Corporation (AWC), a government Statutory Marketing Authority (SMA), had presided over the biggest corporate disaster in Australian history in terms of losses generated by a single corporate or statutory business entity.

With total losses amounting to $6.8 billion,[1] the AWC surpassed even the HIH Insurance Group's loss of $5.3 billion (2001). Over and above the $6.8 billion were the upfront costs to Australian taxpayers of supplementary payment schemes, flock reduction schemes, provision of government guarantees or any indirect or opportunity costs and the hidden costs to individual woolgrowers, communities and the wool production industry (Massy, 2011).

In June 2008, the newly elected Labor government acted to end the Wheat Industry Stabilization Act (1948), an Act that had, for the past 60 years, provided a single desk arrangement for the sale of export wheat. The Chairman and the board of directors had presided over one of the biggest corporate scandals in Australian history. AWB Limited, the privatized former statutory wheat marketing authority, the Australian Wheat Board (AWB), was identified by the Volcker Report (2005) as by far the worst offender (in the humanitarian Oil-for-Food programme) in breaching the UN sanctions against Iraq and providing kickbacks to Saddam Hussein's regime of some $US200 billion (Stephen Bartos, 2006a; Botterill, 2011).

Poor decision making is the root cause of most of the world's great political disasters (Tuchman, 1997). In her book, *The March of Folly* Tuchman defines folly as 'the pursuit of policy contrary to the interest of the constituency involved'. Australia enjoyed the benefit of the world's greatest wool economy for over a century, but that benefit was eroded by the folly of the wool industry leadership, precipitated by a series of decisions made by the boards of governance of most

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[1] From 1974 to 1989, direct costs (physical and interest minus gross trading surpluses) amounted to $717 million. In the final 18 months of operation, $5.98 billion ($1.8 billion grower's reserves, $1.3 billion Market Support Fund tax contributions, $2.88 billion borrowings) was consumed bringing total losses to $6.8 billion. Massy, C 2011, *Breaking the Sheep's Back*, Queensland University Press, St. Lucia.

State Farmer Organisations (SFOs), the Wool Council of Australia (WCE) and the Australian Wool Corporation (AWC) (Watson, 1990; Massy, 2011)

Similarly, AWB International Ltd supported by the Grains Council of Australia (GCA) and all SFOs excepting the Pastoralists and Graziers Association of WA (PGA), presided over a litany of follies including documented losses of grower's monies through dubious futures trades, evidence of featherbedding and pirating of funds from grower's pools and the much publicized scandal that embraced the organisation over its dealings with Saddam Hussein's government in Iraq (Stephen Bartos, 2006b; Botterill, 2007; Mc Connell, Gauja & Botterill, 2008).

Events such as those mentioned above rarely happen because of mishap or misfortune, but almost invariably, are the result of decisions taken by the boards of governance of industry statutory authorities and the leadership of peak industry councils and SFOs (Stephen Bartos, 2006b; Massy, 2011; Overington, 2007; Botterill, 2011; Botterill, 2007).

In the 1980s the agricultural industry and particularly the wool and wheat and dairy industries, were exposed to a number of major exogenous political and global shocks. For example, on 9 December 1983, Paul Keating, the then Treasurer of a new Labor government, announced the floating of the Australian dollar and the abolition of exchange rates. In so doing, the government 'transformed the economics and policies of Australia and harnessed the Australian economy to the international marketplace' (Kelly 1992, p. 76). The implications for the AWC and the RPS were immediate and potentially devastating. However, ignoring the advice of their own and other senior economists to float the reserve price, the Board and the Wool Council refused to believe that the old stable trading environment had ended forever. In defiance, they nailed their agrarian-socialist flag to the mast and continued to practice what Hayek (1988) called the fatal conceit, a belief that they could not only defy the market, but order it as well (Massy, 2011).

In 1989, following a number of Government initiated reviews by the Industries Assistance Commission (IAC), the federal government passed the *Wheat Marketing Act 1989*, the first major challenge to the historical institution of collective marketing of wheat. This Act removed the Australian Wheat Board's monopoly over the domestic wheat market, ended administered prices for wheat and terminated the guaranteed minimum price. A decade later, this was followed by full privatization meaning the institution was no longer just a marketer but competing on the domestic and international markets for suppliers and customers. While the wheat growers, the Grains Council and the Board remained attached to the old agrarian values that underpinned the 1948 Wheat Stabilization Act 1948, a value shift happened in the organisation, generating an endogenous change. What was to prove a fatal flaw for the AWB, the new grain traders were more interested in career advancement than the interests of growers, leading to a culture change within the organisation that threw caution to the wind (Overington, 2007).

RESEARCH METHODOLOGY

The methodology used in this study is mixed method utilising both a quantitative survey of 148 respondents and face-to-face interviews with both male and female members of boards. However, the overall method was that of a case study analysis focused primarily on two grass roots State Farmer Organisations, the PGA and the Victorian Farmers Federation (VFF). These two organisations represent the two opposing ideological poles of Australian agriculture – the free market 'graziers' associations and the interventionist, agrarian 'farmer' federations. Case study methodology is an in-depth study of a bounded phenomenon through which explanations can be tested and generalised to a larger class of events. Yin (2014) suggests that case study design is a preferred method when the main research questions deal with 'how' or 'why' issues, where the researcher cannot control the events they are studying, and where the phenomena they are investigating is contemporary. For this reason the case study survey methodology was chosen (Yin, 1982). A mixed-method approach involving the collection of both quantitative and qualitative data was used as it offered greater opportunities for triangulation and complementarity (Molina-Azorin, 2007). Each of the target organisations in this study is a bounded system with its own unique character derived from its peculiar history, constitution and organisational structure and as such, a case study approach was seen as the logical choice for this project (Gerring, 2004; Chima, 2005; George & Bennett, 2005; Platt, 1992).

The questionnaire used in the data collection comprised 37 questions within three sections that related to the background of the individual board members, the factors that determined their board membership, their aspirations for board membership, methods of selection and barriers to board participation. The questionnaire and face-to-face interviews focused on social networks, social identity, as well as gender, age, and educational background. The key research questions guiding the study were:

1. What role does political ideology and historical institutionalism play in determining leadership and governance in representative organisations in Australian agriculture?
2. What role do social networks play in determining the membership of the boards of representative organisations in Australian agriculture?
3. Is the 'old boys network' a significant determinant of membership of these boards?
4. How important is social identity in determining board membership?
5. Are there any similarities between social networks in Australian agriculture and the Guanxi networks of Chinese culture in the context of leadership of representative organisations?
6. Does patriarchy and patronage play a significant role in determining membership of boards?
7. Is there evidence of a masculinist culture prevailing in these organisations and is this reflected in a lack of gender diversity on the boards?
8. Is there evidence that leadership of these organisations is seen as a male prerogative and is this reflective of a male hegemony in rural society?

AGRICULTURAL REPRESENTATION

The History of Representation

Connors (1995) in his thesis on the history of the National Farmers Federation (NFF), explains that Australian agricultural representation traces its origins back to the late 19th and early 20th centuries when free market pastoralists in wool producing states united for the primary purpose of opposing the 'militant shearer'. These pastoralists were generally a well-educated group with many having studied at Oxford or Cambridge and as Massy (2011) in his book *'Breaking the Sheep's Back'* describes, often imbued with an ethic of *noblesse oblige,* a belief in a duty of leadership. In those early years they formed the so called "squattocracy", the de facto ruling class of the Australian pastoral industry, which was part of a network involving parliaments and legislatures, boards of leading companies, particularly banks, pastoral houses, shipping and insurance companies, government committees and institutions of public wool industry governance.

At around the same time, small farmers and settlers were uniting against the pastoralists, demanding land reform and a third group, the 'battling' wheat farmers, struggling on undersized blocks created by government settlement schemes, were uniting to demand government intervention to support the farm gate price. While the pastoralists (graziers) remained true to their free market philosophy and aloof from the other two groups, the small farmers, in pursuit of their preferred agrarian-socialist ideology, combined their efforts to push for 'orderly marketing' (Connors, 1995)

Organisational Ideology and Institutionalism

Agrarianism has been a major feature of the political landscape in the Australian agricultural industry since first settlement (Connors, 1995). Botterill (2011) and Inge (1969) define this as a belief in the essential worth of agriculture and the farmer as having acquired the virtues of honour, manliness, self-reliance, courage and moral integrity from his direct contact with nature. As a consequence there is a distrust of urban life, capitalism and a fear of exploitation by banks, wool-brokers, grain merchants and other city interests The agrarian philosophy encompasses a basic egalitarianism (socialism) – a belief in equality of returns achieved through the pooling of risk - no one farmer should get a better price and no one farmer should lose more than the other.

This agrarian-socialism, combined with dry years, recurring low prices and crippling debt, led farmers to demand institutional arrangements such as statutory marketing authorities and price stabilisation schemes to look after their interests. Having developed a taste for organised government backed marketing during the First and Second World Wars, farmers believed such institutions, publicly guaranteed and privileged and backed by societal norms with the necessary enforcement capacities, would allow them to control their markets and profits thus providing them with the desired certainty. By employing what they saw as 'tame' bureaucrats to manage the marketing of their produce, they could get on with the real work – farming. Connors (1995, p. 32) describes one early

scheme, the Wheat Stabilization Scheme, legislated in 1948, as 'one of the most remarkable demonstrations of agrarian-socialism in the Western world'. With an unbroken run of five-year periodic renewals, it continued virtually unchanged until 1968.

In their quest for stabilization and orderly marketing, the farmers were aided by the Country Party and in particular, John (later Sir John) McEwen, a strong protectionist and agrarian politician, influenced by hard won lessons as a soldier settler cum wheat cocky.[2] These farmer groups had considerable success in having marketing boards established and further, by successful demands that small farmers received an equal vote with the larger producers, they ensured that farmer organisations controlled the majority of positions on the boards of governance together with the appointment of a 'grower' chairman. Inevitably, however, lacking the necessary acumen and professionalism to understand the complexities of big business, these farmers would eventually find themselves hostage to the very bureaucrats they thought that they controlled (Connors, 1995). Farmer board members, chosen for their political support of the historical institution rather than any corporate or economic expertise, often find themselves out of their depth on boards that oversee administrations managing multi-million dollar budgets and staff numbering in the hundreds.[3] At home, their farm budget would rarely see seven figures and with most Australian farms owner-operated; few employ anything other than casual staff.[4] While the farmers saw the employees of these institutions as their servants, bound to follow their (the farmers') policy direction, the employees soon saw the institution as a servant to their professional career goals, continually expanding their bureaucracy to protect their jobs. Botterill (2011) points out in her article, *Death of an Institution*:

> "gaps develop between the values underpinning the legitimacy of the organisation and the values driving the employee". (Botterill, 2011, p.20)

While the theory of institutionalism has a number of variants, Botterill (2011) suggests that these institutions fit Peters (2012) analysis of historical institutionalism. Peters argues that ideas, accepted and embodied in structural form are central to historical institutionalism and the role and actions of the institution should be seen in its historical context, embodying a particular mix of values important at the time of their creation and potentially ensuring survival long after these values cease to be important or relevant.

Through positive feedback, and the development of a network of complementary support organisations together with the self-reinforcing nature of collectively held world views, such institutions can become sticky over time (Pierson, 2004). Long after the sanction busting scandal that destroyed the AWB came to light, farmers continued to defend the institution and its activities.

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[2] A farmer. Cocky arose in the 1840s and is an abbreviation of cockatoo farmer. This was then a disparaging term for small-scale farmers, probably because of their habit of using a small area of land for a short time and then moving on, in the manner of cockatoos feeding.

[3] At the time of the suspension of the Reserve Price Scheme, the staff of the Australian Wool Corporation numbered over 1200 employees.

[4] Based on comments made in an interview with person involved in Dairy industry board selection process.

Despite this institution having been involved in a shameful scandal and the evidence of other questionable policies and practices, agrarian-socialism, the formative policy choice that underpinned the institution, continued to have a determining influence over policy into the future (Stephen Bartos, 2006a; Botterill, 2011).

Industry Leadership and Governance and Policy Networks:

Prior to the 1970s, a loose policy network existed containing a plethora of organisations representing various commodity groups and ranging from the Graziers' Associations with their support for the free market to the opposite philosophical pole, the agrarian socialists in the wheat, dairy and fruit industries. Urged on by the Country Party and impressed by the success of the National Farmers' Union (NFU) in Britain, a closed policy community which had institutionalised the role of British farmers in the policy making process, farmer groups, which up until then had been largely commodity based, began to join together to form unions and federations. Their stated purpose was to present 'one voice' to government to achieve their desired government intervention and orderly marketing schemes. These unions/federations quickly developed into tight policy networks, self-reinforcing through politically oriented collegial structures that determined only those who support the interventionist philosophy would be elected to the leadership group and any who did not abide by the rules would be excluded (Connors, 1995; Marsh & Smith, 2000).

According to Connors (1995), the grazier and farmer groups demonstrated quite distinct and different practices when electing their leaders. Controversy was unusual at a Graziers' Association conference with members of the executive (board) decided by an inner circle and elections rarely contested. Once elected, the leadership group was trusted to act in the graziers' best interests though members kept abreast of the issues and were quick to express their disagreement if necessary.

On the contrary, farmers' conferences were much more robust affairs where facts and logical argument often gave way to 'hyperbole and tub-thumping'. Presidents and executives were elected from the conference floor and bound by that conference to adhere to the policies decided through conference resolutions. Safe in the knowledge that neither the leadership group nor the organisation's employees could depart from the conference policies, the farmers returned to their farms and did what they knew best – farm. Any member of the Board who dared to depart from the scripted policy, would find himself voted off the Board at the next Annual Conference (Connors, 1995, p. 2).

The Graziers had always held themselves as being somewhat superior to the farmer, better educated, well-mannered and socially elite, relying on their old boys networks and well researched and presented submissions prepared by professional staff, to exert influence. Rather than stabilization schemes and orderly marketing, the Graziers saw the members of their networks, the wool brokers, merchants and bankers as their private enterprise partners in marketing their produce.

In the early 1970s, however, following a number of global economic shocks that brought the wool industry to its knees, the Graziers, despite having voted 'NO' to a wool RPS in three referenda

over the previous fifty years, 'crossed the Rubicon to the land of orderly marketing' (Connors 1995, p. 153). Only one major Graziers' organisation, the PGA remained outside the protectionist web. The rest were absorbed into the tight policy networks of federated representation ruled by the prevailing agrarian-socialism ideology. In time, the PGA resigned its membership of the agrarian dominated Wool and Grains Councils, preferring to exert influence on government policy makers through reasoned argument and professional submissions that supported its goals and objectives.

A number of researchers and particularly with reference to agricultural policy communities, have examined tight policy networks. Grant and MacNamara (1995, p. 510) argue that agricultural policy communities are 'widely recognised as one of the clearest examples of a policy community in persistence, cohesion and exclusiveness'. However, as Marsh and Smith (2000) suggest, while they can create a strong sense of identity within a group, the danger is that this can generate closed minds and a suspicion of outsiders and holding a strong worldview and a shared culture, they are in effect a structural constraint on network members. These networks value strong ties within the network and are rarely open to new information, preferring slow incremental change that protects established relationships. Radical phase transitions caused by a cascade of information generated by economic, ideological, political or even knowledge-based exogenous events are feared and rejected. Any such radical change represents a threat to the preservation of order and values and particularly those privileged by the status quo (Hammond & Glenn, 2004; Watts, 2003; Bartos, 2006).

Botterill's (2005) examination of Australian agricultural policy networks found that the farm lobby is enmeshed in a tight policy community characterised by a shared ideology and limited membership with the key players all part of one small agri-political club. "They all know each other and are very much inter-related (sometimes literally)" (Stephen Bartos 2006b, p. 9). A typical career path sees an aspiring agro-politician gaining office in the SFO commodity committee, then a seat on the relevant Commodity Council and from there, ultimately, the Holy Grail – membership or even the chairmanship of the SMA Board. Other government patronage was possible for compliant farm leaders including places on overseas trade missions, endorsement for parliamentary pre-selection and imperial (including several knighthoods) or Australian honours (Connors, 1995).

A roll call of AWB board membership both pre and post privatization, reveals the majority of members were former members of the GCA and a seat on the board of the AWC could only be achieved through membership of the Wool Council or in the case of the Government appointed grower Chairman and the Government appointee, the Wool Council's imprimatur. The closed network nature of these tight policy communities exhibits many features found in the ancient village networks of Europe and the Guanxi networks still found in China today and as such is diametrically opposed to the open networks of the modern western corporate world where weak links to other networks that can bring new ideas, information and opportunities, are seen as strengths rather than threats (Granovetter, 1973; Hammond & Glenn, 2004).

Hammond and Sanders (2003) suggest that one of the most important unifying goals of any social systems or organisations is preservation and while incremental organic change is inevitable and potentially beneficial, the greatest risk to a tight policy community or closed network is when new information or transformational leadership threatens change to fundamental values. To reinforce the initial policy choices that determine the existence of an historical institution, roles, structures and mechanisms are created that will ensure only politically acceptable people are chosen to fill critical leadership and governance positions (Hammond & Glenn, 2004).

Structure of Representation

Industry representation operates on three distinct levels. The primary or grassroots level includes the SFOs founded on the membership of individual farmers (or their business entity). National commodity specific councils form the secondary level of representation with membership from SFOs represented by nominees drawn from their respective commodity committees. The raison d'être of these Councils is to provide a national voice and lobbying capacity for the producers of specific commodities, with efforts directed to the development of a consensus of industry policy and initiatives. The third or tertiary level incorporates the National Farmers Federation (NFF), the industry peak body formed in 1979 to provide 'one voice' for farmers and the grower owned or statutory corporations detailed with the responsibility for industry marketing, research and development policy and direction and the management of the statutory levies paid by producers.

DATA ANALYSIS

The path to leadership and governance roles is a political one, beginning at the grassroots level. In determining the mechanisms used to select politically acceptable candidates, data was collected using a number of methods including historical document research, participant observation, focus groups, in-depth interviews and a survey. Document analysis and participant observation provided valuable insights into the history, culture and ideology of the case studies and the role of these factors in determination of the leadership group. The use of in-depth interviews and focus groups provided perceptions from multiple stakeholders operating in the various contexts of agricultural representation and complementing these qualitative methods with a quantitative survey provided a means of capturing parallel data from a much wider population and as Denzin (2009) suggests, allows the data to be seen through a different lens.

Analysis of qualitative data was based on a thematic analysis, underpinned by a process of coding, sieving and grouping concepts using NVivo software (Bazeley and Jackson, 2013). The analysis of the survey data was completed using SPSS software and included descriptive statistics, Independent Samples t-tests (2-tailed), Cross-tabulation, ANOVA and Principal Components Analysis. The data was derived from descriptive analyses of organizational demographics, the Board selection process and possible barriers to Board participation. The survey also examined a number of

sociological concepts and constructs including social networks, and social identity, groupthink or conformity, patriarchy and inheritance and attitudes to leadership in the agricultural industry.

THE FINDINGS

Social networks as described by Granovetter (1973) are highly connected clusters in which everyone knows everybody else and the more linkages that a person has, the more social capital or influence they acquire. Analysis shows these clusters form around family, the farming community, school and local sporting teams and clubs. The personal connections made in and between these clusters accumulate the social capital that will be instrumental in deciding who might be tapped on the shoulder for future leadership positions. These networks are underpinned by social identity, the 'people like us' phenomenon, an organising principle of social network theory (McPherson, Smith-Lovin & Cook 2001) and it is here, that gender discrimination becomes apparent. Research by Verbrugge (1977) indicated men overwhelmingly prefer to discuss important matters with other men, people they trust, who look like them, think like them and are like them. This was supported by data (Fig. 1) showing that women ranked four and five out of six categories testing likelihood to be elected to a leadership position in an SFO, membership of a Commodity Council or appointment to an industry board, despite the fact that analysis of the highest level of education achieved showed 71.40% of women had university qualifications as compared to men at 26.50% (Fig 2).

Insert Figures 1 & 2 about here

While men in the industry are literally born into powerful rural networks, the female cohort, because of the patriarchal nature of farm inheritance in Australian agriculture, rarely owns farming land, but marries into the industry and community. As unknown newcomers they must develop linkages develop the essential connections in local networks and the State and national networks of farmer representative organisations. This is constrained by prevailing social mores, confirmed in a number of interviews, which see a woman's primary roles as childcare, domestic duties and managing the farm office, making development of the essential social capital necessary to achieve a board position, a remote possibility. Analysis of the pathways to Board membership through the survey and interviews, showed that being 'tapped on the shoulder' by other board members as well as being identified at the branch level were the most common means of achieving a Board position, particularly at the commodity committee level which would lead to appointment to a commodity Council and eventually an opportunity to sit on a corporation Board. This affects the female members of the industry as in the words of a number of interviewees; women are missing from the meetings and industry functions for a number of years while they stay home to care for the children. By the time that they are free to attend these gatherings, it is usually too late to build enough social capital to be recognized as potential leaders.

Further, questions relating to the role of patriarchy, the father/son relationship, perceptions of women as real farmers and women's role in industry leadership, showed that there is strong agreement with the premise that farm inheritance remains a father to son relationship and women are neither seen as 'real' farmers by a majority of both the men and women in the industry, nor are they perceived as having the necessary leadership traits that would identify them as potential members of industry boards. There is a distinct difference between the Grazier model (Fig. 3a) and the Farmers' Federation model (Fig. 3b). Grazier Associations elect their leaders directly from the grassroots level, while, in the Federation model Fig.3b, candidates are filtered through a highly politicized collegiate process, ensuring that only those who conform to the organisational ideology will succeed in reaching leadership positions. This was tested in the survey, with members of Federation model organisations placing significantly higher importance on conformity.

Insert Figure 3a and 3b about here

As indicated earlier in this paper, with the exit of the last Graziers Association from the federal sphere, agrarian federation model organizations dominate leadership and governance in the Australian agri-political landscape. The NFF and the commodity councils, the major support organisations sustaining historical institutionalism in the industry, are dominated exclusively by organisations where agrarian-socialism is the prevailing orthodoxy. Despite the Australian Government's execution of the historical institutions of the AWC and its RPS and the wheat industry's single desk monopoly, agrarian-socialism has refused to die and these institutions have, through internal incremental modification, survived. R&D and marketing organisations such as Australian Wool Innovation (AWI) and the MLA, the Grains Research & Development Corporation (GRDC), Australian Dairy Farmers (ADF) and Dairy Australia, all funded by compulsory levies and with boards owing allegiance to Federation dominated commodity councils have risen from the ashes. As such, industry leadership and governance continues to be constrained by political objectives aimed at perpetuating existing historical institutionalism and its associated supporting tight policy networks. Without candidates selected for their sound economic background and business experience and expertise, only slow and incremental change will be possible, thus rendering these organisations incapable of adapting rapidly to future exogenous global, economic and political shocks.

DISCUSSION AND CONCLUSIONS

While the findings in this study are preliminary in nature, and further analysis is required of the qualitative data there is considerable evidence to this point to provide some early answers to the research questions. Analysis of questions relating to the importance of conformity to organizational ideology and how the structure of the dominant federalist organizations determines the continuity of industry historical institutions indicates that both ideology and these historical institutions have a significant role in determining industry leadership and governance. Social networks and social

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identity are shown to be important factors in identifying potential board members and confirm the existence and persistence of an 'old boys' network, bolstered by a patriarchal culture that preserves the male hegemony of the industry. Leadership is clearly seen as a male prerogative by many and there is some evidence of a continuing perception of the belief that it is not only a man's right to lead but they are the only ones suited to the task. When asked why a woman was not considered for a recent election for the President's position, all of the men asked, answered that it never occurred to them. This attitude serves to exclude women from participating to their full potential in leadership and governance despite their strong qualifications.

The existence of closed policy communities within the representative organizations, which are adverse to new information and eschew leaders who are perceived as transformational has been shown in the literature and confirmed in a participant observation and a number of interviews and comments. The dominance of organizations with a policy and ideological commitment to agrarian-socialism across all levels of agricultural representation including the National Farmer's Federation and the various R&D and marketing corporations continues to influence industry leadership and governance.

There is an increasing awareness in political circles and the wider Australian community of the important role agriculture will play in future Australian economic development. Representative organisations in the agricultural industry play a critical role in providing strategic direction and advice to their members, to the industry as a whole and to both State and Federal Governments in the development of domestic and international policy. A competent leadership group is critical to the successful prosecution of this purpose, as not only must the industry compete with other sectors and interests, but must also deal with federal and state bureaucracies that are often poorly informed of many of the issues peculiar to the agricultural industry. Further, governments and oppositions are always sensitive to the political overtones of policy that might affect the rural voter and it is vital therefore, that the advice provided by organisations purporting to represent agricultural interests is well informed, grounded on sound economic fundamentals and properly reflects current and future economic, social and environmental needs rather than those of the past.

This research is significant because there have been some extraordinary mistakes made in the past by incompetent leadership and governance (e.g. Australian Wool Corporation; Australian Wheat Board)(Massy 2011; Stephen Bartos 2006a; Botterill 2007) that have led to substantial economic damage to the nation, their respective industries as a whole, to the financial prosperity of a vast number of producers and the social well-being and cohesion of many individuals and rural communities. Future research is required into the breakdown and death of these institutions and their re-incarnation and further, as this research is focused on leadership and governance in member associations as compared to corporate organizations; there is the potential for generalisation into the broader political sphere.

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Fig 1: Members least likely to achieve Board membership

Classification	Mean	t-test (p-value)
Male under 35 years*	4.34	0.00
Male over 35 years	4.28	0.46
Ethnicity other than Anglo-Saxon	4.19	0.07
Female over 35 years	3.83	0.06
Female under 35 years*	2.93	0.01
Employee/Manager	1.42	0.14

*Significant differences between group types $p<.05$

Fig 2: Highest Level of Education Completed * Cross Tabulation Gender

Organizational Type		Gender		Total
		Female	**Male**	
Secondary	Count % within gender	5 14.30%	46 40.70%	51 34.50%
TAFE	Count % within gender	4 11.40%	14 12.40%	18 12.20%
Agricultural College	Count % within gender	1 2.90%	22 19.50%	23 15.50%
University	Count % within gender	25 71.40%	30 26.50%	55 37.20%
Other	Count % within gender	0 0%	1 0.9%	1 0.9%

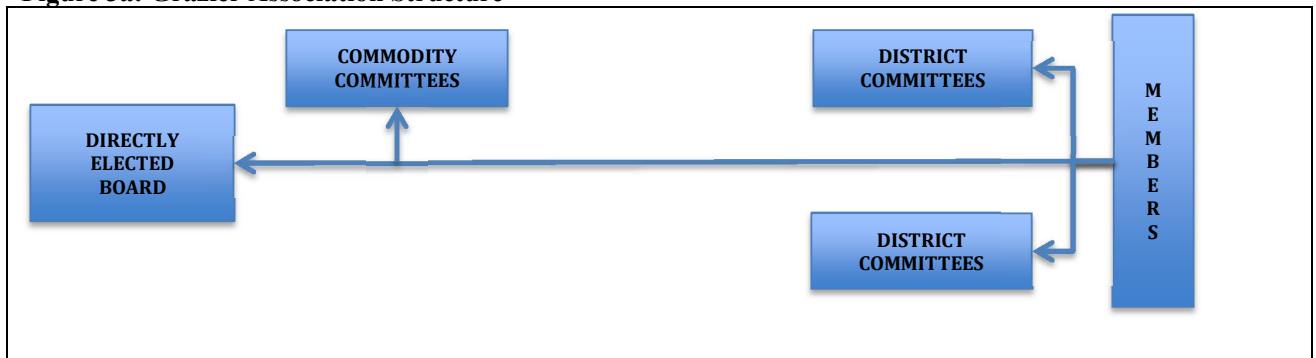**Figure 3a: Grazier Association Structure**

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Fig. 1b: Federation Structure – Complex Collegiate Board Selection