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SUPPLY CHAIN (RE)ALIGNMENT IN NEW ZEALAND'S  
SHEEP MEAT AND DAIRY INDUSTRIES:  
KNOWLEDGE, NETWORKS AND LEARNING AT THE  
FARMER-PROCESSOR SITE

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of the requirements for the degree of  
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## ABSTRACT

Emerging from the 'agricultural crisis' of the 1980s, producers and processing companies in New Zealand's sheep meat and dairy industries, found themselves in an evolving neo-liberalised environment. By the late 1990s major structural (re) alignment had taken place in production and processing to accommodate shifts in markets and regulation, centring on 'food safety', 'quality' and 'availability'. For both farmers and processing company staff, this meant venturing into unfamiliar *jointly occupied spaces* and uncharted relational territory. Through a participatory research approach using multiple methodologies, this thesis examines supply chain (re)alignment at a macro and micro-scale, focussing on the farmer-processor relationship and knowledge, network and learning processes of farmers in (global) lamb and dairy supply chains in New Zealand.

In seeking to account for evolving agri-food chain relations at multiple scales, this research turns to the global commodity chains (GCC) literature and draws on pragmatic solution-oriented ideas emerging from the developing field of Supply Chain Management (SCM). It also includes theoretical input from the cognitive and behavioural sciences to interpret the empirical data on farmer's knowledge, networks and learning in different supply chains, which it argues are key features of globalising agri-food economies. In this research these literatures and theories are enveloped by a broader yet, incomplete, theoretical foundation - that of *evolutionary political economy* (EPE), which is extended in this thesis. The thesis argues that an EPE framework provides a useful window on the governance of New Zealand's relations at a distance because it allows the specificity of micro-scale coordination activities and relations (in jointly occupied spaces) in New Zealand to be embedded in local and macro scale governance regimes and historical development processes.

The findings show global market and regulatory pressures continue to drive supply chain (re)alignment in New Zealand, and chain building is occurring in different ways at the farmer-processor interface, between and within the different industries. Farmers' place specific *on-farm* knowledge co-evolves with *off-farm* knowledge through a combination of concrete experience, trial and error, socialisation and reflection, with both *on and off farm* knowledge becoming more overt in practice and strategy as supply chain specifications becomes more precise. Farmers utilise a range of networks (informal, formal, specialist and general), which serve as both information channels and learning forums. New Zealand's agricultural industries are like many in competitive globalising economies - 'new' knowledge is being generated and used to broker global and local social, economic and environmental contexts and values, and in the process, supply chain partners' capacities and relations evolve.



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## ABBREVIATIONS

AMS	Aggregate Measure of Support
CRI	Crown Research Institute
DE	Decision Explorer
DSM	Dispute Settlement Mechanism
DSB	Dispute Settlement Body
EPE	Evolutionary Political Economy
FAO	Food and Agriculture Organisation
GATS	General Agreement on Trade in Services
GATT	General Agreement on Trade and Tariffs
GCC	Global Commodity Chains
GDSS	Group Decision Support Systems
JOS	Jointly Occupied Space(s)
LCP	The Learning Challenges Project
MFN	Most Favoured Nation
NIE	New Institutional Economics
NZDB	New Zealand Dairy Board
PAR	Participatory Action Research
SCM	Supply Chain Management
SME	Small and Medium Enterprise
SPS	Agreement on the Application of Sanitary and Phytosanitary Measures
TBT	Technical Barriers to Trade
TRIPS	Trade Related aspects of International Property Rights
VRA	Voluntary Restraint Agreement
WTO	World Trade Organisation