

Dare to be... A soliloquy to the CITT

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Sitting for two days in a downtown Vancouver hotel observing the process and providing evidence to the CITT's anti-dumping hearing on U.S. potatoes was an eye-opener.

For the eight or ten potato farmers who stole two precious days away from important farm duties (without any compensation) to provide critical evidence to the hearings, many of whom had been involved in earlier anti-dump hearings, I'm sure it was old hat.

In fact, there was almost an air of familiarity about the hearings. Many participants knew one or more of the Tribunal's three panel members from previous hearings. Farmers and lawyers, meeting in a side room during the breaks, made passing reference to previous Tribunal members ("Old so-and-so always seemed very fair" and "Lucky we didn't get old whats-his-name, he really had it in for us on..."). When a Tribunal member occasionally referred to *apples* instead of *potatoes* — a throwback to his participation in recent Tribunal hearings on that commodity — they corrected themselves with a smile and a friendly shrug to the audience.

The Tribunal Secretary was on first name basis with the lawyers. Sometimes, in response to a remark by a witness, Tribunal member or lawyer, the adversarial nature of the process seemed temporarily suspended as the entire room lapsed into laughter.

But the subject before the hearing was anything but humorous. In that small room, three men (all appointed by government and not for their agricultural credentials) held in their hands and weighed in the balance the fate of some 100 commercial potato producers in this province.

My concern is not with any lack of integrity on the part of participants to the process, but rather with *the complete bloodlessness of the process itself*. It is about import volumes. And normal values (Revenue Canada's estimates of U.S. potato production costs). And landed prices. And market shares. And like products (When is a potato not a "like" potato?)

Obviously all of these issues are very important in the determination of "dumping" on a trade level. And the evidence the Tribunal heard was clearly irrefutable. There can be no doubt but that the U.S. is dumping potatoes into B.C. Against a graph of normal values, U.S. wholesale potato prices across most varieties and package sizes resemble the elastic in last years gaunchies. Badly sagging. And showing no signs whatsoever of firming up.

Despite the fact that Washington State producers harvest twice the tonnage per acre as do B.C. growers, despite the fact that land costs in the Columbia Basin Project average one tenth B.C. values, despite massive government subsidies for water, irrigation and drainage that made the arid eastern Washington desert *bloom*, production costs per acre are virtually identical in both markets.

Why? Because B.C.'s commercial potato producers are damn fine farmers. With a commitment to competitiveness amply evidenced by significant levels of investment and a demonstrated ability to maintain — in the face of unfettered imports from North America's lowest-cost producing region which directly sets the price of B.C. product — a 50% domestic market share, B.C. farmers represent amongst the best, brightest and most competitive of progressive cooperative endeavour.

Our guys amply demonstrated to the Tribunal that they are competing toe to toe with American potato producers. And have been for some time. All they want is continuation of a level dance floor.

So why, you ask, my concern with the "bloodlessness" of the process? What's missing here?

What's missing here is any apparent consideration for policy issues which are absolutely fundamental to the issue at hand.

If, for the next 60 nights or so between now and when the CITT decision is to be handed down, I could access the collective ear of the Tribunal members, I would whisper, over and over again, the following (anything-but) sweet-nothings:

You have heard evidence which will, no doubt, form the basis of your recommendation for an equitable and ethical trade policy solution which supports the continuance of anti-dump duties on U.S. potatoes.

Of course, you can simply write it up and go on to the next set of hearings. But consider if you will the opportunity presented here. Why not step forward a little on this one and provide some badly needed policy leadership?

Dare to infuse policy in your decision-making framework. Set a precedent that recognizes fair trade requires competition on both sides of the equation — competition measured not only in terms of price, but also in terms of industry structure.

Recognize that the post farm-gate potato market in the U.S. is anything but competitive. That it is a highly concentrated market dominated by a few large contract integrators with inappropriate market power for which table potatoes are merely a minor, residual market. And that this is not good for sustainable soils nor sustainable communities.

Recognize, if you will, the bright new penny which cooperative endeavour visits upon the economic landscape. Dare, if you will, to err on the side of tomorrow. Because today has been badly overspent.

Like the river that rushes to the sea, drawing to itself with ever increasing strength the autonomy of its tributaries until there is naught but the river, capital too seeks to amalgamate, and in so doing dries out the surrounding socio-economic topography.

The role of the state is to ensure that as water/capital passes through the land/economy, it is evenly spread out to irrigate/nurture the physical/economic landscape.

This is a classic case in point.

Dare, in the face of the market's current (and slavish) enamourment with the Goliaths of our economy, to speak out in defense of the Davids. In defense of trade equity. In defense of a strong, independent and competitive domestic farm sector. In defense of a fundamental and vital strand in the fabric of B.C.'s farm economy.

This is one audacious and highly competitive pack of Davids. Faster, smarter, independent and both highly cooperative and highly competitive, they can run economic rings around the giant to the south. As long as the rules are fair.

Sweet dreams.
