

MANUFACTURING A CRISIS

In case you missed <u>Tucker Carlson</u> this week, there is an intense dust up over a commitment from the federal government to lower nitrous oxide emissions from agriculture fertilizer. The commitment was part of a new Federal, Provincial Territorial (FPT) Agriculture Policy Framework Agreement signed last week in Saskatoon.

The commitment is framed (with competing narratives) as a "voluntary" fertilizer emissions reduction target intended to reduce emissions from the application of fertilizers by 30% from 2020 levels by 2030.

The timing is challenging with many Canadian farmers struggling with inflationary cost pressures not least of which includes the sanctions against Russia that has seen tariffs placed on Russian product. Farmers argue that the tariffs unfairly disadvantage them at a time of economic pressure and will contribute to increasing food insecurity around the world.

The reaction from agriculture organizations, farmers, some provincial Ministers and many others has been intense to say the least.

@QuickDickMcDick put out a video that quickly went viral and made the rounds within the industry

(and <u>beyond</u>) suggesting that such a commitment can only mean that the government is really looking to impose a "ban" on fertilizer.

The government would counter that they are suggesting no such things – read the documents. The view from the government's perspective is that opposition politics is manufacturing a crisis to take advantage of the very real concerns around food security – including the Russian weaponization of food in Ukraine, the political and economic disaster in Sri Lanka and the protests in the Netherlands over plans for fertilizer reductions.

The industry in turn counters that it is the government who is manufacturing a food security crisis in service to a climate change agenda that is tone-deaf to the broader global context — Canadian farmers aren't the problem, rather it is the government's agenda that is creating a crisis for Canada's farmers and our ability to feed the country and the world.

There is legitimacy to both perspectives. Which makes this a <u>complex public policy debate</u> that requires some <u>cooler heads</u> to wade in.

MK&A Consulting 1 michael@michaelkeegan.ca



THE DEBATE IN SUMMARY...

Key producer questions:

- 1. Isn't this really a ban?
- 2. Why is 2020 the baseline year? What about the 30+ years of extraordinary progress don't we get credit for that?
- 3. Why now don't you understand we have challenges enough on our plate?
- 4. Aren't we supposed to be feeding the world this undermines our ability to do that?
- 5. How is this really going to be implemented in the real world (i.e. measured and enforced)?

Key government questions:

- Yes, there has been progress. But not everyone is doing "the right thing". How do we get everyone participating?
- 2. Are you serious about sustainability or not? Do we have an industry partner on sustainability? Why is the industry so aggressive in fighting voluntary (and other) measures on this and other files?

There is a sense within industry that "urban" elites are making decisions about farming without really understanding the science and business of agriculture. This criticism has some merit and unintended consequences from well-intentioned policies are a real risk in this public policy environment. But at the same time the public interest does have a legitimate perspective on the way that agriculture and food operates and needs to have a voice.

So, what's really going on? Is this about the government manufacturing a food security crisis; or is this about manipulative oppositional forces manufacturing a political crisis?

Our view is that a lack of trust and a sub-optimal relationship between industry and the government means both sides are talking past each other without really hearing each other. As <u>some</u> have pointed out, this challenge has been brewing for some a while (some of us had a front row seat for Ontario's efforts to "ban" (or limit the use of) <u>neonicotinoid pesticides</u> several years ago).

So what? What do we care and where do we go from here?

This is important because the food system is fundamental to any functional society – politically, economically, environmentally, culturally and socially. You don't need to look very far to see how

dangerous things can get when the food system breaks down. "Not in Canada" you say?

Fair enough, but we think it short-sighted to believe that things will just work out on their own. The reality is that more people care about where their food comes from and the downside implications of getting things wrong matter. Perhaps more importantly though, the upside potential is significant. Forget (for a moment) the extraordinary economic potential – focus instead of the idea that if more people around the world ate Canadian products and produced more like Canadians the world would be a better place in all the ways that matter. Just like with climate change Canada cannot have a broad agenda for food and agriculture that is not globally contextualized.

There is an old cowboy saying that says "before climbing the ladder of success, you better make sure it's leaning against the right wall"! There is wisdom in the whiskey-soaked ditty.



For the Canadian food system, a big part of the real issue at play here is that there is no explicit vision for Canada's food system – or at least clearity and transparency on what kind of food system is being supported by public policy and programs. instead we see a mashup of different philosophies and aspirations with inherent contradictions. What are we trying to accomplish with the food system? What problems are we choosing?

What this means is that public policy issue identification and solution prescriptions can seem disjointed. At the very least we lack a certain unintended transparency that would create better conditions for government and industry engagement. For our part we would see three distinct (and over-lapping) visions (see table below). These visions are not necessarily mutually exclusive – but having some clarity and transparency in what public policy in the food system is doing (and not doing) does mean that there are distinct choices to be made.

For example, a public policy agenda built in support of the production attributes vision would indeed look to ban synthetic fertilizers; it would also have to abandon the idea of competing at scale in global markets, while accepting less efficiency and the need for more land to maintain current production levels (or lower production levels).

Obviously, there are political challenges in explicitly identifying one vision over another (making choices and having priorities inevitably mean upsetting some people). But the vitriol and anger we have witnessed over the past week suggests such a move could be important for coming together to ensure a resilient and sustainable food system.

If we persist in talking past one another, the more we risk taking the civil out of civil society, and the farther we get from arriving at a constructive engagement that is critical for the future success we all want.

FOOD SYSTEM VISION SUMMARY TABLE

TOD STOTE IN VIOLENCE SHAWING THE PARTY OF T			
VISION	Commodity/efficiency Business, science and technology driven – "Green revolution"	Production attributes (e.g. organics, regenerative) Values driven – "Kiss the Ground"	Place-based attributes (e.g. local) Culturally driven – "French terroir"
	Green revolution		
GOALS	Feed the world	Values driven production and consumption	Community focused
SUCCESS/ PERFORMANCE	scalability affordability production efficiency	fanatical markets business-model innovation	importance of food culture
PROBLEMS	 environmental performance (sustainability) global volatility business model homogeneity 	Efficiency Scalability Accessibility Affordability Environmental degradation (global depletion agriculture)	Efficiency Scalability Accessibility Affordability