

The US imports over \$100 million worth of tomatoes per month, even during peak US tomato-growing season.

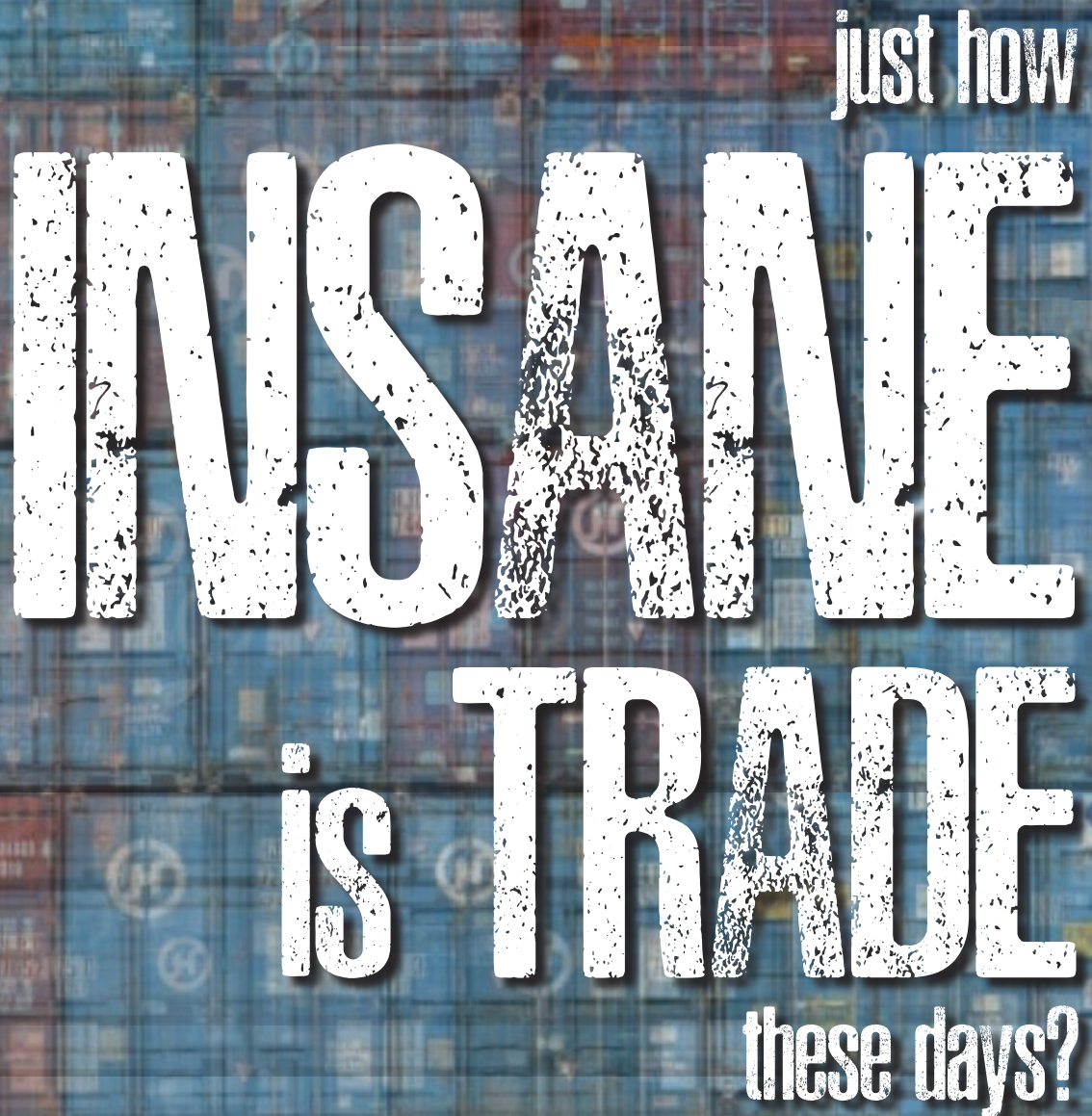
- Congressional Research Service, 2017

"African-grown coffee is being packed 3,500 miles away in India, Canadian prawns are processed in Iceland, and Bolivian nuts are being packed in Italy."

- UK Times, 2007

"California imports as many cherries and almonds as it exports."

- A Place-Based Perspective of Food in Society, 2015



INSANE is TRADE just how these days?

Consider that...

- Mexican calves — fed American corn — are exported to the United States, where they are butchered for meat, which is then sold in Mexico.
- In 2007, Britain and Australia exchanged 20 tons of bottled water just with each other.
- More than half of the seafood caught in Alaska is processed in China; much of it is sent right back to American supermarkets.

Why does
this insane
trade
happen?

“Globalization, that unseen force that supposedly eliminates inefficiencies through the magic of trade, has radically disconnected us from our seafood supply.”

- New York Times, 2014

How is it cheaper to ship food across the world for processing than to process it where it was grown or caught?

Companies often relocate labor-intensive work overseas to minimize costs – Scotland’s minimum wage is about four times that of China, for instance, which explains why Scottish fish is often processed in China. With global fossil fuel subsidies (direct and indirect) on the order of \$5 trillion per year, this energy-intensive way of doing business is often less expensive for large food distributors, though it carries great costs for the environment and for livelihoods in the food’s country of origin. Lax international free trade rules help make this possible as well.

Why else might countries “re-import” their own products?

In many cases, companies export and re-import goods to benefit from tax policy loopholes. For example, China’s value-added tax (VAT) allows businesses to claim tax rebates by exporting their products, while other businesses can then re-import those same products to claim rebates of their own. Fossil fuel subsidies, which reduce transport costs for

businesses, help make this a viable strategy.

The results are absurd. For example, in most years since 2005, China has imported more from itself than from the United States – despite being the US’s third-largest export market.

Availability of crops varies seasonally – is this a factor in global trade?

Not really. Even in the height of apple season in the northern US, apples from New Zealand and Chile flood supermarket shelves – and regardless of origin, many supermarket apples stay in cold storage for up to a year, so the season doesn’t matter. Distributors source from wherever is least expensive within their established channels. Supermarkets will choose apples from 10,000 miles away if they’re cheaper than apples grown just 10 miles away. Same with other fresh foods.

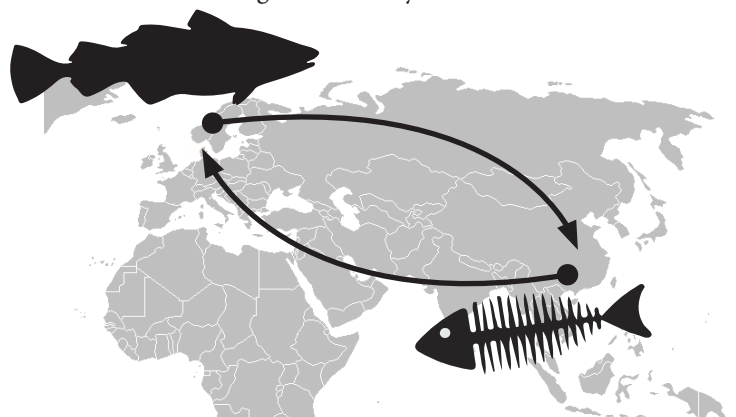
The main contributors to insane trade are subsidized transport, free trade agreements, import-export tax rebates, and differences in labor costs and environmental and safety regulations – not seasonal availability of fresh produce.

Mongolia has 10 times more dairy animals than people...



... yet its supermarket shelves carry more European than local dairy products.

Meanwhile, cod caught off Norway...

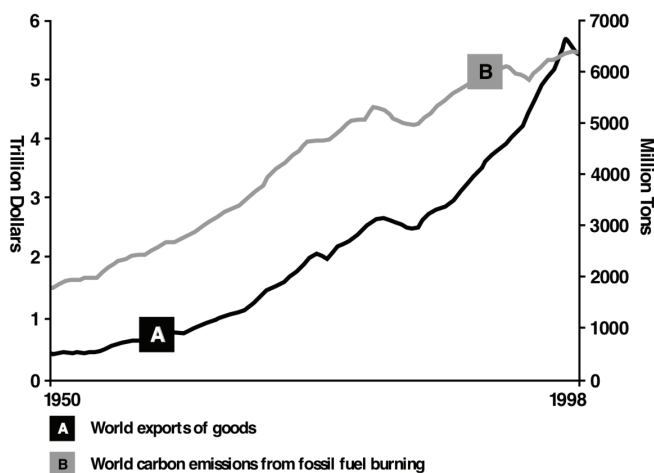


...goes on a 10,000-mile round trip to be fileted and returned for sale on the local market.

INSANE
TRADE

How does global trade affect the climate?

In 2012, commercial ships produced over a million tons of CO₂ per day – more than the emissions of the UK, or Canada, or Brazil. That's roughly 4% of the world's CO₂ emissions – and it's set to grow to 17% by 2050 if current trade rules continue. The growing aviation industry will produce another 20% of global emissions by 2050. And that doesn't account for the infrastructure needed to support long-distance trade – including cement production, which already contributes 8% of the world's emissions per year.



IMF, Worldwatch Institute

Remarkably, climate agreements like the Paris Accords do not account for the emissions from international trade: the CO₂ emitted by the thousands of oil tankers, container ships and cargo-carrying aircraft that crisscross the globe do not appear in any nation's CO₂ accounting. Why? Because policymakers believe that trade – and the growth of global GDP – is more important than the climate. Insane!

What about differences between regional crop and livestock varieties? Does this explain why countries both import and export identical foods?

In most cases, no. In the world of big agribusiness and global trade, foods are interchangeable commodities – they're grown in large quantities, and regional differences are something to be eliminated. For monocultural producers and large-scale marketers, the goal is uniformity.

Sometimes, regional differences in foods do influence global trade – but not in the way you might expect. For example, beef from factory-farmed cows in the US is usually too fatty to be sold as hamburger meat. So, that beef gets shipped abroad, and leaner grass-fed beef gets imported. Changing animal husbandry practices in the US would solve this problem (and several others) – but because of subsidies for fossil fuels and transport infrastructures, insane trade is the industry's most profitable "solution".

Do people just want to buy food, and other things, from far away?

Imported goods are treated as a status symbol in some parts of the world. This attitude has gained traction with the help of extensive advertising that makes foreign products appear superior and links self-worth to the consumption of foreign and industrialized products.

It has also contributed to a common business attitude that sees production for export as the pinnacle of success.

**INSANE
TRADE**

"In terms of volume, world trade is nearly 32 times greater now than it was in 1950..."

- WTO & UNEP, 2009

"[In 2014], Canada was the world's fifth-largest exporter of agriculture and agri-food products. Canadian export sales grew by 12.0% over 2013 levels to \$51.5 billion."

- Agriculture and Agri-Food Canada

"With import sales of \$39.4 billion in 2014 — an increase of 14.9% over the previous year — Canada remained the world's sixth-largest importer [of agricultural products]."

- Agriculture and Agri-Food Canada

“By purchasing locally grown foods, you help maintain farmland and green and/or open space in your community.”

- Michigan State University
Extension, 2013

“A study in northeastern Iowa indicated that greater income and employment was generated by farms with local sales than by regional grain farms.”

- North Carolina State University
Extension, 2013

“...food grown in the local community is less likely to be disrupted by transportation issues, large-scale food-borne illness outbreaks, weather, and high fuel costs.”

- University of Missouri Extension, 2019

To reduce CO2 emissions, create more jobs, and build stronger communities:

Say NO to insane trade

- Speak up – share this factsheet and the Insane Trade short film.
- Call for an end to corporate subsidies and tax breaks.
- Critically question “free trade” dogma.
- Support steps to internalize the costs of fossil fuels.

Support your Local Economy

- Buy local food and other local products.
- Help build local food systems and local business alliances.
- Grow the movement by organizing a workshop, study group, or film screening about economic localization.

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References

Congressional Research Service, 2017 • UK Times, 2007 • A Place-Based Perspective of Food in Society, 2015 • Mexican calves fed US corn • the bottle water exchange • Alaskan seafood goes to China • and comes right back • minimum wage in Scotland • minimum wage in China • global fossil fuel subsidies • New York Times, 2014 • dairy in Mongolia • China is US's third- largest export market • tax dodging in China through re-importation • year-old supermarket apples • commodity crops defined • fatty US beef sent abroad • shipping CO2 emissions in 2012 • shipping CO2 emissions by 2050 • shipping and aviation emissions by 2050 • emissions from cement production • trade emissions not accounted for in international agreements • graph from IMF, Worldwatch Institute • WTO & UNEP, 2009 • Agriculture and Agri-Food Canada, 2016 • Michigan State University, 2013 • North Carolina State University, 2013 • University of Missouri, 2019