

# A Case Study of the BSE Crisis as an Opportunity for Learning and Changes

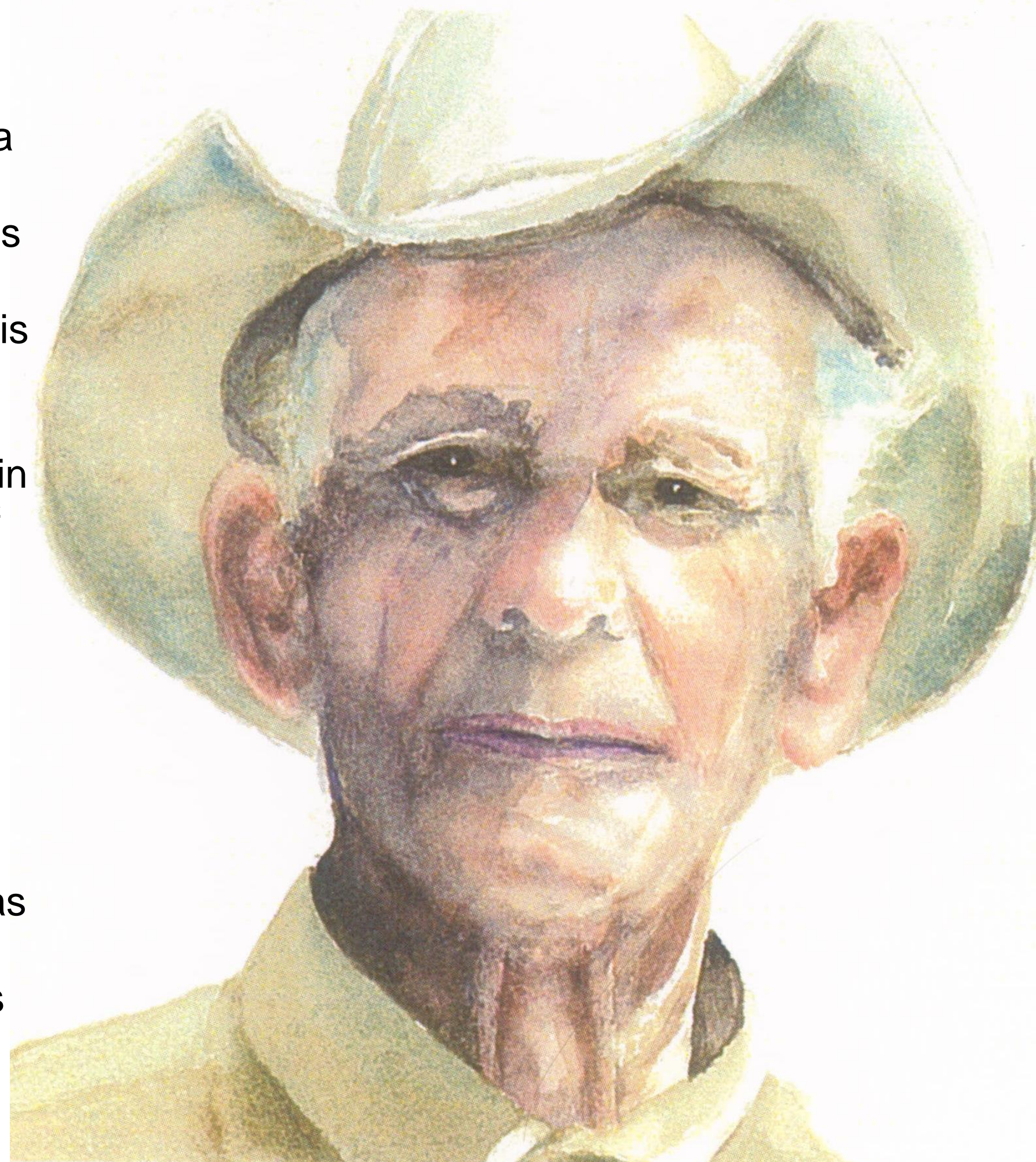
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## INTRODUCTION

The BSE crisis hit Canada in 2003. There is a widely held notion that a crisis can be an opportunity for learning and change, as well as cause members of society to (re)evaluate the roles and effectiveness of key institutions. This research aims to test the extent to which the BSE crisis proved to be an opportunity by examining evidence of learning and changes in the perceptions, practices and organization of government representatives and beef producers in the Peace District.

## METHODS

Semi-structured open-ended interviews with beef producers in the Peace District (N=10), as well as government representatives such as agricultural extension agents and field officers (N=10).



## CONCLUSION

BSE did serve as an opportunity for learning and changes to some extent; however, it is not the only factor, and potentially not the most important factor contributing to changes since 2003.

The finding that long-term chronic hardships pose a much greater threat to the survival of agricultural communities than brief crises may guide decision-makers towards policies that ensure the long-term viability of the beef industry.

For example, rather than assisting a large number of producers with minimum payments during crises, monetary programs could focus on the following:

Other factors include:

- Drought
- High value of the Canadian dollar
- High grain prices due to ethanol demand
- High input costs
- Oligopoly of the packing plants
- Lack of competition in the beef market
- High labour wages
- Shortage of labour

- Encouraging efficiency at the farm level
- Creating competitive market conditions
- Decreasing dependency
- Supporting local agricultural specialists & agencies
- Bottom-up rather than top-down approach

## RESULTS

### Learning & Changes

The most significant and swift **changes** occurred among beef producers and the ABP Association as well as institutions dealing with safety (the CFIA and packing plants).

Although there was an increased **understanding** of the role of various institutions during the crisis, incomplete understanding lead to mistrust and criticism.

The amount of **cooperation** and relationships built and strengthened between various beef industry players during the BSE crisis was unprecedented and contributed to the success of dealing with the crisis; however, there should be more cooperation and not just during crises.

#### Changes in Producers' Practices

- Change feeding practices
- Spring rather than winter calving
- Fatten cattle off the farm
- Direct/ niche marketing
- Turn pasture land to crops

- Reduce herd size
- Keep older cattle
- Reduce inputs
- Share equipment

### Perceptions of Key Institutions

#### GOVERNMENT (AB & Fed.)

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- Some financial support to farmers
  - Coordinated cooperation between all beef industry players
  - Ability to convince the media and consumers that Canadian beef is safe

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- Disaster assistance program too convoluted
  - Should have made more clear that the governments' immediate goal was to deal with market-ready cattle first (the majority of which are owned by packers)
  - Gave most of the assistance money to packing plants
  - Rather than government handouts, create competitive market conditions

#### CANADIAN FOOD INSPECTION AGENCY (CFIA)

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- Impressive ability to trace BSE infected animals to source
  - Play an important role in ensuring food safety
  - The importance of safety regulations and traceability

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- CFIA created obstacles for producers wanting to direct market
  - Extra safety regulations helped multinational corporations rather than producers and the cost was suffered by the producers
  - Should have learned from the U.K. BSE experience and banned specified risk materials in the 1980's rather than 2003

#### CANADIAN BEEF INDUSTRY

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- Abattoirs were upgraded to ensure higher level of safety
  - Confidence in the integrity of the Canadian beef industry in terms of safety and ability to deal with crisis increased

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- Vulnerability in the world market, relied too heavily on the U.S. market
  - Power of the packing plants over government, suspicions of manipulating the market for their own benefit
  - Small profit margins
  - Confidence in the future of the beef industry decreased

#### SCIENTISTS

- +
- Confidence in their ability to provide solutions to prion diseases

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- No consensus on what prions are and how they should be dealt with
  - Since prion diseases are relatively rare, should prioritize more common threats

#### ALBERTA BEEF PRODUCERS' ASSOCIATION (ABP)

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- Provided important information to both producers and consumers
  - Lobbied the U.S. to open the border

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- Strongly influenced by the packing plants



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