There seems to be something to this trade idea [1]

Written by **Tim Worstall** [2] | Saturday 10 November 2012

I can't say that I've ever really understood this idea that we must all eat only the things that have been grown in our own region. "Region" of course is a variable thing. It seems to depend on how deep the green of the fool recommending it is. Something from "the nation" to "your back yard" is the spectrum. But as I say, I've never really understood the point.

For we know what happens when food supplies are indeed restricted to just the region one is actually in. We've been there before, back before we had decent roads. And what used to happen is that when the local crops failed then everyone died of starvation: even if 30 miles away there was a bumper crop. Quite why anyone wants to recreate the bad parts of the Middle Ages I'm really not quite sure.

As a modern example, think what would be happening in the near future given the near failure* of the American corn crop this year. We would currently be awaiting the news that Mid-Westerners were keeling over from the shortage of corn dogs no doubt. Then have a look at this other piece of news from this past week [3]:

> Chinese farmers are reaping a third record corn harvest even after a typhoon wiped out some of the crop, easing demand for imports at a time when the U.S. drought is driving sales from the biggest exporter to a four-decade low. The harvest rose 3.6 percent to 199.74 million metric tons, according to a survey of farmers in China?s seven biggest producing provinces by Geneva-based SGS SA (SGSN) for Bloomberg. The country?s stockpiles last month were at a nine-year high, and the U.S. Department of Agriculture expects a 64 percent drop in imports. The agency will raise its estimate for U.S. reserves by 2.4 percent when it reports Nov. 9, the average of 29 analyst estimates compiled by Bloomberg shows.

As you can see, no one is predicting that China is going to start exporting corn to the US. My point is, rather, that bad weather doesn't affect every part of the world at the same time. Thus harvests that are bad in one place can be offset by good ones in others.

Or if we are to put it in the terms usually reserved for this argument, the term "food security". We can only have a secure food supply if we grow all our own food. Which is nonsense of course, for our food growing is at the mercy of our weather. True food security comes from having a multitude of suppliers in many different parts of the word so that we can play that game of averages with that weather.

You know, this trade idea. The one that our greens seems to be so strongly against?

**Yes, I know, it wasn't anything like a failure but you wouldn't know that from the news stories*.

blog comments powered by Disqus [5]

Source URL: http://www.adamsmith.org/blog/energy-environment/there-seems-to-be-something-to-this-trade-idea

Links:

[1] http://www.adamsmith.org/blog/energy-environment/there-seems-to-be-something-to-this-trade-idea
[2] http://www.adamsmith.org/taxonomy/term/5778
[3] http://www.bloomberg.com/news/2012-11-06/typhoon-no-bar-to-third-record-chinese-corn-harvest-commodities.html
[4] http://disqus.com/?ref_noscript
[5] http://disqus.com