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## STAMPEDING THE PLANET

If you think Alberta's beef sector isn't worldly, you couldn't be more wrong

**YOU COULD** be forgiven for missing the point of the Calgary Stampede. If you start the party early enough—say with spiked orange juice at dawn, a Stampede favourite—you could be forgiven for losing all sensation in your arms and legs before sundown. You could even, if circumstances take a turn for the worse, be forgiven for losing your pancake breakfast all over your bolo tie and denim shirt.

But the point of the Calgary Stampede is cows. This Greatest Outdoor Show On Earth celebrates a culture that evolved around the cultivation and consumption of cows. This year it was easier to keep that in mind than it sometimes is. On May 20, a single Alberta cow was found to have bovine spongiform encephalopathy, or mad cow disease, and the export market for Alberta beef immediately collapsed. The resulting crisis was part of every conversation at the Stampede.

But what struck me in Calgary last week wasn't the effect of the BSE crisis, which will be devastating, but temporary. It was the changes in the industry itself, which are permanent. The personification of those changes is a mustachioed, soft-spoken man of 42 named Ted Haney. Haney grew up in Picture Butte (current population, 1610), in southern Alberta. As a teenager, his perspective didn't stretch much farther than the horizon. "To get me to go into Lethbridge... I would come up with any excuse at any time to get out of it," he said. "It was too far away, too crowded, too many people. Calgary? It was like going to the moon."

Yet over the last decade, Haney's work has taken him dozens of times to Taiwan, Hong Kong, Japan, Mexico and South Korea. This might come as a surprise, since his job is to market the same product he raised as a boy in Picture Butte: Alberta beef.

Haney is president of the Canada Beef Export Federation, the industry group responsible for exports to countries besides the United States. Business is booming. In 1990, 90 per cent of Canada's beef exports went to the United States. By 2002 that

number was down to 72 per cent.

The new markets for Canadian beef, essentially Mexico, Japan and South Korea, pay top dollar for cuts most North Americans sniff at. Here at home, Haney told me, a cow's short ribs aren't good for much except making ground beef at \$1.30 a pound. But if you knock those bones out and sell the boneless short ribs in Japan, you can get up to \$7 a pound. At three pounds per animal, that's a good deal. Never mind how much people in some places are willing to



pay for the animal's intestines or tongue. All of which helps to explain why, while the share of our beef exports to non-U.S. markets has tripled, the dollar value of those exports has exploded—from \$24 million in 1990 to \$470 million in 2002. Even taking into account the BSE hiccup, Haney's association expects that figure to double again by 2010.

Almost in the blink of an eye, Alberta cattlemen—or, at least, Ted Haney and his associates—had to become sensitive to the business practices, cultural preferences and dietary habits of populations half a world

away. If you thought no sector could be less worldly than the Alberta beef industry, you'd be wrong and getting wronger every day.

This is the nearest evidence I've seen lately that in many ways, there really is no such thing as domestic politics any more. Governments have been quicker to find a name for this phenomenon than to adapt to it. Last summer, federal bureaucrats held a big conference in Ottawa to discuss "the intermestic challenge," which is the challenge you face when the line between domestic and foreign policy blurs.

A conference is one thing, real-life experience another. While other countries shut their markets to Alberta beef, federal officials concentrated overwhelmingly on reassuring the Americans. Canadian science was shared with Americans. The U.S. Department of Agriculture sent pathologists and epidemiologists to Alberta. Weeks passed before experts from Agriculture Canada and Health Canada went to Japan and Korea.

That lag may have cost the beef industry dearly. Word came from Japan that if the Americans opened their market to our beef before Japan was satisfied of its safety, Japan might restrict imports of both American and Canadian beef. "It was shocking that Japan could become so influential, so quickly," Haney said.

But non-U.S. markets can be a source of opportunity, not just risk. Say the Yankees drag their heels on letting Canadian beef back in. Canada might have better luck restoring exports to other markets, perhaps Mexico. Suddenly Canadian beef, sold at a discount if necessary, starts eating into U.S. market share in those countries.

And if the price of access to other countries is more rigorous inspection and monitoring than anything the Americans do, Canada will happily consent. Soon the U.S. would have to adopt the costly new standards. Any advantage from protectionism would be wiped out.

None of these games would have been necessary or even possible a decade ago. Globalization isn't a slogan or an excuse to stage a protest march: it's a fact of life, in Picture Butte and everywhere else. The Chapters-Indigo chain sells books with the slogan, "The World Needs More Canada." Maybe. What's clearer every day is that Canada needs to become more worldly. ■

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