

China steals Taiwan's agriculture

Written by Lee Wu-chung 李武雄
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The signing of the Economic Cooperation Framework Agreement (ECFA) this summer has opened the door for Taiwan's agricultural and fishery exports and energized the government.

At the same time, however, the Chinese government is setting up "innovation parks for Taiwanese farmers" and "experimental areas for cross-strait agricultural cooperation" with the intention of attracting skilled personnel, animal and plant species, technology and capital in an attempt to emulate the Taiwanese experience.

The resulting agricultural products would have the advantages of Taiwanese species, realistic pricing and stable supply. They would attract Chinese consumers far more than agricultural products from Taiwan, and the negative impact on Taiwanese farmers would by far surpass the advantages that would come from the import tax exemptions offered on 18 products.

A former high-level Taiwanese agricultural official said in a magazine interview that Taiwanese species raised or grown in China are still Taiwanese species and not cheap Chinese copies, and they should be part of Taiwan's international marketing. Despite this, we still have not seen any government officials clarify the situation, and this will only serve to raise further questions among Taiwanese farmers.

The more time one spends in one of China's innovation parks for Taiwanese farmers, the more depressing they become. Many outstanding domestic Taiwanese species — grouper, Taiwan tilapia, silver perch, sweet fish, Chinese soft-shelled turtle, abalone, orchids, black pearl wax apple, jinzuan pineapple, golden mango, Irwin mango, Gaoshan tea, Jinxuan tea, Cuiyu tea, pearl guava and Yuhebao, or Jade Purse, litchi — are already being planted and bred at an astonishing scale in these parks throughout China.

Many companies in these parks have very strict quality controls at every stage of the breeding and marketing process. In addition to being sold in local markets, companies also plan to use the existing international distribution network for large-sale exports of these agricultural and fishery products, and some of these companies are already supplying their products to well known international retailers, such as Walmart and Carrefour.

During a visit to these processing plants, I discovered that the machinery was quite modern and quality controls were in no way inferior to those in Taiwan. With the assistance of local governments and international certification institutions, these plants had obtained several international certificates for agricultural and fishery environmental safety, and they now meet the strict import inspection standards of the biggest developed countries, such as the US, Japan and the EU.

This will make them formidable competitors as the Taiwanese agricultural and fishery industries try to expand into international markets. The average domestic Taiwanese small-scale marketing company for agricultural products will be no match for these companies

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and their economies of scale. From an expert point of view, Taiwan does not have many advantages left in terms of species, technologies and processing. That is why the government must have an unambiguous and strict approach to dealing with farmers and Taiwanese businesspeople who want to invest in China.

Modern agricultural development is dependent on a biotechnological foundation, which offers high added value, is highly effective and has great development potential. As a result, once China get their hands on superior Taiwanese species, technologies, machinery and production and marketing experiences, they will be able to eliminate traditional agricultural production and move toward the overall goal of a well-off society.

This will also require huge investments in research and manpower, and technological development takes a long time and is associated with high risk. That is why China, in addition to actively training research and development personnel for agricultural biotechnology, is also beginning to reach into Taiwanese agricultural biotechnology. China is planning to import advanced Taiwanese agricultural biotechnology and products by offering preferential treatment in the hope that they will be able to quickly shrink the gap between Taiwan and China in these areas and raise the overall standard of the agricultural biotechnology field in China.

Unfortunately, Taiwan does not have any far reaching and comprehensive response measures that can be seen. Unilateral export of skilled personnel and technology will not be good for the long term prospects of Taiwanese agriculture. Crisis is akin to change, and once Taiwanese agriculture loses its competitiveness, how will we revive our farming communities?

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