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PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

Trust is valuable and fragile

"Love. It's what makes a Subaru a Subaru." With that adline, Subaru was able to leapfrog over 11 other car makers to increase their share of the US auto market over the last three years. The creators of that ad understand that consumer emotion and perception is critical to the success of a commercial product.

The importance of consumer perception was recently highlighted in a story that NPR did on the buying habits of middle class Chinese families. In that story on All Things Considered, Marianne McCune reported that some families in China were asking relatives in the West to purchase baby formula and ship it to them even though the transportation costs were high.

As McCune explains, "The reason goes back to 2008. Baby formula in Chinese stores was contaminated with a chemical thickener called melamine. Six babies reportedly died and several hundred thousand got sick." Even though the same product made by the same company is available in China and "Western baby formula companies...say they hold their factories in China to the same standards as everywhere else.... there are enough people...who distrust anything even packaged inside China to cause" this phenomenon.

"What [are] people...buying when they turn to Hong Kong or the U.S. for a container of baby food? They're buying a set of regulations and standards they trust. And this growing class of Chinese with a little extra money in their pockets, they're not likely to stop until the Chinese government convinces them to trust it, too," McCune concludes.

That leads us to ask what happens to the trust that US farmers have built up with consumers when state legislators around the country introduce bills that make it illegal for whistleblowers to make videos that document animal abuse or force the whistleblowers to turn such videos over to law enforcement before they can establish a pattern of abuse? Some legislative proposals go so far as to label the videographers as terrorists.

There is no doubt that some of the videos have cost some firms a lot of money and a number of individuals jail time. The horrific videos have ranged from downer cattle being put back on their feet with forklifts (the inability to stand and walk is one of the characteristics of BSE in cattle) to the burning of the ankles of horses in Tennessee (the injury causes the horses to lift their legs in a way similar to the gait of Tennessee Walking Horses) to the punching and kicking of piglets in

Wyoming. It is clear that the public finds such abuse morally unacceptable.

The question is not whether instances of abuse take place—no matter how rare they might be—but how consumers perceive of the way abuse problems are handled. Local officials, left alone to deal with abuse, often do what it takes to stop it. But proponents of allowing videos claim that local officials may be unaware of abuse or in some instances be less than diligent in their enforcement of anti-abuse statutes. Ag-gag legislation runs the risk of being perceived as protecting the abusers and thereby endangering the trust and good will that society feels toward farmers.

An alternative to making videos illegal is the one adopted by the U.S. Farmers and Ranchers Alliance (USFRA) with its Food Dialogues, http://www.food-dialogues.com/. As they write, "Farmers and ranchers are committed to the safest and most appropriate care for their animals. They care deeply about the health and safety of their animals and take pride in them. They also know that consumers are concerned about animal care."

They acknowledge that "the system is not perfect. Unfortunately, there are on occasion a few incompetent or uncaring people such as those seen in occasional undercover videos who abuse animals. Anyone who abuses animals should be prosecuted to the fullest extent of the law" and declare that the abusers' "practices do not represent the vast majority of farmers and ranchers."

USFRA says, "While opinions regarding management techniques for animal safety and health greatly differ, it's important that all farmers and ranchers work together with consumers to get a clearer understanding of why specific management styles work for one type of farm/ranch compared to another."

We believe that it is also important for farmers and ranchers to get a clearer understanding of the changing expectations that consumers have for the food they eat.

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