

# Potato imports hit farmers

*In the familiar story of the sheep and goats in Matthew's gospel (25:31–45), Jesus makes it clear that how we treat those in need is a key component of the Christian life. This biblical passage reminded Joy Cadangen Lumbag, finance manager of ECLOF International and a former treasurer of ECLOF Philippines, of a true story from her home country.*



A vegetable farming community of 100 families in the northern part of the Philippines known as Benguet Province was very excited about the forthcoming flower festival in the nearby city. The festival usually welcomed some two million visitors and was a perfect time for farmers to sell their potatoes at a good price.

The farmers had planned for this occasion, planting at the right time, taking the utmost care of their potatoes, watering them as early as 4 o'clock in the morning. Harvesting time came. The farmers expected to sell their potatoes at US\$1.5 per kilo. At this price, they would be able to use 50 cents of each kilo sold to pay for the loan they had taken from ECLOF. After deducting all their other costs, the farmers eagerly expected to make a profit of around 50 cents per kilo. One family had produced more than 2,000 kilos of potatoes, which meant an anticipated profit of US\$1,000. This money would be enough to feed the family until the next harvesting season.

On the first day of the festivities thousands of visitors began their shopping. However, several huge containers of imported potatoes somehow found their way to the city and "captured" the market, which had been the monopoly of the Benguet farmers for decades. The imported potatoes were sold at 10 cents per kilo. And the quality was just as good as those from Benguet. The buyers would not know the difference and even if they did, it is human nature to buy a less expensive product. Sales of the imported potatoes dwarfed those of the ECLOF clients.

The frustration, anger, bitterness and fear of the farmers were unimaginable. The fear that gripped them was overwhelming: fear of not being able to pay back their loan to ECLOF... fear of not having food on the table for the next three months... fear of not having anything for the family... fear of not being able to sell at a competitive price ever again... fear of the unknown.

## Legal

The potato importation is legal as the Philippines is required to adhere to internationally agreed policies on trade. The Filipino government, however, has not prepared the farmers, who are usually not aware of such policies until they are caught flatfooted by their impact.

ECLOF Philippines, aware of world trade policies, tried to explain international regulations on importations to the farmers. But they could not offer any solutions to lessen the impact of the potato imports on the farmers. ECLOF encouraged the farmers to rally the churches and advocacy groups, and to demand the government to help them.

Conscious of its own needs and realising that the importation of potatoes would continue and would actually kill the potato industry in the Philippines, ECLOF Philippines decided to stop lending to the Benguet farmers. The Episcopal Church of the Philippines disagreed with ECLOF's decision and asked ECLOF not to abandon them in their time of need and despair. After a great deal of risk analysis, ECLOF resumed lending to the farmers and advised them to plant alternative easily perishable

products that cannot be imported such as cabbage, strawberries, flowers, etc. The farmers were not happy but confronted by the harsh realities of the market they had no choice but to follow ECLOF's advice.

## Threat

As an aftermath of this story and seeing importations continuing, a large group of farmers threatened the government that if importations were not controlled or stopped, the farmers would plant marijuana instead of vegetables. Marijuana is prohibited in the Philippines because its final product is an illegal drug.

The story does not end here.

## 'Shabu'

The importation of potatoes to the Philippines from one particular country is suspected to come with the importation of a very expensive product sometimes hidden underneath the sacks of potatoes. In the language of the streets, this is called "shabu"; it is in fact cocaine. A container with shabu camouflaged with potatoes was intercepted at the time of the large importation to Benguet Province.

I personally believe free trade is good. But when abused, as we have experienced in the Philippines, free trade becomes synonymous with the freedom to destroy others' lives.

On behalf of the farmers in the Philippines and of ECLOF, I thank the World Council of Churches, the Ecumenical Advocacy Alliance and all other bodies for their advocacy work in the area of world trade policies.