

## **ABSTRACTS**

### **Joseph Cooper**

This paper analyzes the environmental impacts of agricultural trade liberalization on various indicators of environmental quality, including manure production, soil erosion, nitrogen and phosphorous loss to water, at the national and regional levels. We assess the environmental impacts of a hypothetical trade liberalization scenario involving the elimination of all agricultural policy distortions in all trading countries. We can view this extreme scenario as an upper bound on the possible effects of potential trade liberalization outcomes. The estimated changes in U.S. agricultural production, even in this scenario of full agricultural trade liberalization, are well within the bounds of average seasonal variation in U.S. agricultural commodity production seen over the last thirty five years. This general characterization of the results aside, we note that the estimated changes in commodity production and subsequent environmental impacts are not uniform across the landscape, with small increases in agricultural production and environmental quality in some regions and decreases in others.

### **Simon Kennedy**

Canadian agricultural producers face both new challenges and new opportunities, arising from technological change, evolving consumer demands, global competition, and the integration of economies. The Agricultural Policy Framework (APF) is a comprehensive strategy to help the Canadian agriculture and agri-food sector adapt to change and increase its profitability. In re-orienting existing agricultural policy and expanding its scope to new priorities, the APF aims to brand Canadian agriculture as the world leader in meeting the exacting demands of global markets. Mr. Kennedy's presentation will review the changing context for agricultural policy in Canada, the priorities of the Agricultural Policy Framework, how action on the APF is supporting efforts to fight bioterrorism, as well as what the future may hold for the agriculture sector in Canada.

### **Karl Meilke, University of Guelph**

Canada and Mexico entered into free trade agreements with the United States to obtain preferred and more secure access to their largest trading partner. Trade with the United States is crucial to the economic well being of both Canada and Mexico with nearly 40 percent of Canada's GDP and nearly 30 percent of Mexico's GDP dependent on sales to the United States. Currently, about C\$2.0 billion dollars of goods and services cross the Canada/United States border each day. Despite some high profile trade disputes most of this trade takes place in a frictionless fashion. However, the increased concerns with terrorism raise the issue of how to find a balance between legitimate measures to reduce the threat of terrorism, while at the same time not causing chaos at the border and economic hardship in all three NAFTA countries.

Biosecurity is especially worrying because of the ease with which naturally occurring diseases could be introduced into North American crops or livestock. While most crop/livestock diseases would not pose a threat to human lives, they could devastate the economic sectors involved. In Taiwan, a naturally occurring outbreak of foot and mouth disease, limited only to the swine sector, resulted in one-third of the swine herd being destroyed and a loss in gross revenue exceeding 60 percent.

Finding solutions to the threat of terrorism in the NAFTA countries is compounded by the lack of NAFTA institutions. While highly controversial a "deepening" of the NAFTA beyond strictly border relations offers one possible solution.