

“Systematic analysis of the reasons for the loss of confidence in the safety of food products and proposed solutions”

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Abstract:

I. Reasons for the loss of confidence in the safety of food products

This loss of confidence is the result of an omnipresent lack of food safety, which is closely related to the reality of the Chinese situation. There are different levels of causes: surface, intermediary and profound ones.

The surface causes correspond mainly to the factors that have already been analysed in various documents about this subject. In short, the food product supply chain in China is built on a variety of small groups spread out throughout the country that have little advanced technology, which puts food safety at risk and make it difficult to instil trust. The producers are mainly large numbers of small family farms that are powerless to fight against environmental pollution and food-borne illness. These farms do not have sufficient means to control food safety and are obliged to sell products that are risky for the consumer. The food industry is mainly composed of small companies, small factories and workshops known for their “three nos”: no licence, no standards and no safety system. For the most part, they are rural industries run by farmers. Their products have either “three high level” or “three low level” characteristics: the three high level characteristics are a high level of pesticide and fertilizer residue, a high level of exposure to pollution during processing and a high proportion of toxic additives. The three low level characteristics are low standards of quality and safety, a low concentration of production and an overall low level of controls. As far as food product logistics and transport are concerned, China has some catching up to do in this domain, as it mainly uses traditional means of transportation that are spread out and inefficient. At the distribution level, sales outlets are principally village and suburban markets as well as the stands of street vendors. There are no norms to regulate how these products are put on the market, and there is no quality control. These modes of distribution also have a high level of mobility.

The intermediary causes are related to the fact that the market is not yet mature, while other causes stem from the short-term behaviour that goes hand in hand with the movement of migrant workers towards the cities. The characteristics of the people in charge of the supply of food products (described above) are inherent to the country’s present transition period to the market economy. These intermediary problems reflect the fact that when there is not work on the land, migrant workers redirect themselves towards the secondary or tertiary sectors. The food producers therefore have a sufficient work force, but lack capital, technology and equipment, and run serious risks. They do not have a long-term vision and act only with the short term in mind: only the immediate interest counts, and they do not hesitate to use poor quality products to reduce the cost price, with record profits being their sole priority.

The deep causes can be found in the fragility of agriculture and the longstanding weak position of farmers. The loss of confidence in food safety is primarily a backlash from the triple farming problem (difficulties of the farming community, the rural community and agriculture). After the change in course towards a market economy, agriculture developed greatly. But because of the continually growing disparities that exist between the cities and the country, industry and agriculture, and between the regions some farmers, eager to make money quickly, started getting

impatient and stopped being reasonable. The lack of confidence in food safety proves just how bad the social harmony has become (in reference to the official concept of a “harmonious society”).

II. Creating a system of credibility to resolve the food safety confidence problem

The specialisation process put in place by the leading industrial food companies, regroups the various parties involved in distribution, which favours the management of a safe supply chain. The long-term development of food companies lies not only in the optimisation of their organisation, but also in the construction of a system that guarantees the credibility of these companies based on the organisation in question. In order to do this, the author proposes the creation of a system based on improved organisation and industrialised farming that combines individual credibility and a cross-sector information gathering system (a simple database about individual credibility) in order to force the individual food product suppliers to submit to these constraints. The government could supervise small producers and individual farmers efficiently by managing the cross-sector information gathering system, which would lead to the optimisation of the organisation. To obtain a farming licence, all farmers would be required to belong to a professional association in their domain or to affiliate themselves with a leading company in the farming industry. This would resolve the current problems of disorganisation and producer dispersion. In the present stage of agricultural development in the Chinese food industry, there are four main systems for gathering cross-sector information based on individual credibility: one led by professional associations or associations that promote specialised techniques, one managed by farmer co-ops, also organised around specialised techniques, another in which the leading companies support family farms, and lastly a system for promoting the production bases of retail distributors.

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