
Agribusiness - Industry Commentary, Debate, Analysis and Research

Agribusiness Association of Australia ABN 41407165846

PO Box N26, Grosvenor Place, NSW Australia 1220, agri@agrifood.info T +610418880046 F +61298691537

Volume 100

Wednesday, 18 September 2002

Yes dear reader it says volume 100 on the line above – that means I have annoyed you 100 times with the wide range of – uh – ‘stuff’ in these Agribusiness newsletter things. Hopefully I have managed to, inform, stimulate, entertain and sometimes challenge (offend?) some people over the 100 volumes and that you have at least once found something of relevance or interest to get the mind ticking over.

Agribusiness started out as a means of keeping members informed of Association activities. It has developed into a combination of soap-box for the author (well known as a smart-arse), a means of bringing a different perspective to issues of relevance to the agri-food sector, a notice board for events and a means of publicising some of the excellent works of inquiry published by the Association in the Agribusiness review, Perspectives and Connections (see following). One of the aims we had for Agribusiness was to promote debate within the membership – so some of the opinions expressed have been provocative (and not necessarily the real opinions of the author) to promote debate. Unfortunately this has not been successful, but we live in hope of promoting discussion and debate in Agribusiness one day.

Thanks for supporting the Association, I hope that you can support the Congress in November – we really need the income to stay afloat, because corporate sponsorship is increasingly hard to secure.

Regards, David Ginns

Agribusiness Review Publishing Update - www.agrifood.info/Review/index.htm

Five new papers have been added to the 2002 Volume of the Australian Agribusiness Review. Three deal with the future of farm management in Australia (see below) – the other 2 deal with; Dairy production, consumption and trade prospects in China and the demand for wine in Australia.

The Emerging Dairy Economy in China: Production, Consumption and Trade Prospects is an interesting paper as it takes a measured view of the prospects for the expansion of the dairy sector in China and questions the old population / prosperity based trade paradigm. The paper points out that cultural differences between China (a historically low per capita consumer of dairy products) and dairy exporters (like Australia and New Zealand) are possibly the major hurdle to overcome if we are to increase our share of the Chinese dairy market.

The Demand for Wine in Australia Using a Systems Approach: Industry Implications uses a places the factors determining the demand for wine in Australia into a context that models demand for wine as part of the broader demand for alcoholic drinks – (music to the ears of agricultural systems graduates).

Three new Review Papers on the future of Farm Management.

These three papers comprised a plenary session at the 46th Conference of AARES in February 2002. Its title was ‘Agenda for the 21st Century: Farm Management.’ At first blush the papers seem to be unrelated. But this is their real value as a set. Farm management in Australia is an exotic domain. Low protection, significant export dependence and climatic variability create instability in the farm management environment that is uncommon across management environments as a whole. Control over performance is weak. This instability illuminates the remorseless deterioration in farmers’ terms of trade. Both economic theory and systems theory imply that the deliberate achievement of survival in the long run is problematic in such environments. But farmers are phlegmatic about the long run, and distrustful of forecasters.

Two consequences flow from the magnitude of the challenge they face routinely: the pivotal importance of productivity improvement to realised farm performance; and the complex, fluid, sometimes chaotic, recipe for success as a farm manager. This is a context where the farming game is under permanent redefinition, where required skills (and their likely providers) shift and where myths and legends, heroes and champions, inhabit the culture. The canvas, the playing field, on which farms will be more or less well managed is largely defined by productivity change and its known consequences (such as farm numbers, size, political influence, and so on). The way farmers manage, and the policy context that defines their dependence on their own ability to do so, flows from human conceptual modelling of the task.

These papers are intrinsically closely related. They also provide a thorough coverage of the farm management agenda, perhaps the most constant aspect of Australian farming.

Associate Professor Vic Wright - The University of New England - vwright@metz.une.edu.au

Event Notice

AARES is holding an event in Canberra on Tuesday 24th September with guest speaker Dan Sumner (Director, Agricultural Issues Centre, University of California — Davis, USA). Dan will deliver an address on: **‘Market and Environmental impacts of the 2002 US Farm Bill’**. His presentation will examine the consequences of the US Farm Bill on commodity markets and will especially focus on the potential environmental implications of the Bill. contact Debbie Templeton on 6217 0547 or templeton@aci.gov.au
Or see details on www.agrifood.info
