

## PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

# GMO issues go beyond labeling

During the first week of July 2016, the US Senate passed legislation that would preempt state GMO (genetically modified organisms) food labeling laws and establish a national form of mandatory GMO labeling that would provide food companies with three ways to provide the information to consumers: 1) on-package labeling, 2) an electronic code such a QR code that consumers could use a smart phone to access the information, or 3) a USDA created symbol. The bill will now go to the House of Representatives, which previously adopted a bill that resisted any form of mandatory labeling and called instead for voluntary labeling.

While Ag Committee ranking member Debbie Stabenow of Michigan sees this as the end of a long battle by agribusiness to preempt state labeling laws, we suspect that this is the first skirmish in what could be a very long and protracted battle over GMOs and their presence in the food supply. We say that because the issues at stake for both sides involve much more than the labeling issue that is the subject of the current legislative actions.

There is not just one GMO technology - In talking about GMOs, different people mean different things—for instance there is not just one GMO technology—and different actors in this discussion have different agendas. The result is that everyone is shouting and no one is listening. As long as the different camps talk past each other, nothing will be resolved. It is important that we begin to identify the issues that are at stake for various groups.

Consumer sovereignty – We will begin with ourselves: economists. We have said it before and we will say it again, economic theory puts consumers in the driver's seat. In the long-run producers need to produce what consumers want to buy. Consumers do not need to buy what producers want to grow, process or manufacture. If a set of producers does not want to meet consumer needs (in this instance information), the likely result is that consumers will find a set of producers who will.

Safety –On the face of it the issue is one about safety. Generally those involved in the production of GMO seeds and the related agricultural chemicals along with some processors and a segment of production agriculture want no GMO labeling or at least nothing more than innocuously worded voluntary labeling. They argue that years of scientific studies have failed to identify any dangers. Opponents of the use of GMOs argue that as long as there is even a slight possibility of danger, they do not want to eat products containing them.

In the end, opponents of labeling argue that the other side has to prove that the presence of GMOs in the food supply is dangerous. Proponents of labeling, on the other hand, assert that the suppliers of GMOs

have to show that they are safe. The sticking point is that the two sides cannot agree on what level of risk is safe enough.

In recent years, the argument of safety has grown to include risk to the environment and the damage current agricultural practices—which in the US includes growing GMO crops—have for soil health. They are concerned about the reduction of biotic activity in soils that have been exposed to various agricultural chemicals that are essential to benefitting from the GMO traits.

Ease of production – Farmers in general have shed their early skepticism about GMOs and increased their use, despite the higher cost, because it simplifies the production process. The use of GMOs to control for weeds and/or pests has reduced the number of field passes they must make. We dare to say that no one misses the hot sweaty days walking beans with a sprayer or a hoe. Some farmers have used the time saved in reducing the number of field passes to increase their acreage.

Corporate control – Some participants in the debate see GMO labeling as an opportunity to resist corporate control of the agriculture and food system and the foods we eat. They see the use of GMOs as a tool that agribusiness uses to dictate what is grown and extract monopoly profits from producers and consumers alike. They believe that with mandatory labeling, consumers will reject products with GMO labels—the other side fears this might be true—and GMO grains and meats produced from animals fed GMOs will disappear from the marketplace the way the use of rBGH in milk production did when dairy processors began to label their milk product as rBGH-free.

Corporate profits – The flip side of concern over corporate control is concern to protect corporate profits. If the production of GMO corn and soybeans were to drop by half, the profits of a number of companies could disappear. Companies that have almost completely aligned themselves with the production of GMO seeds and production of the associated chemicals would be in gravest danger if consumers were to embrace foods produced without GMOs to any significant degree.

Food processors on the other hand are going to make money either way, because people have to eat; they just need to listen to what consumers want. That is why several major food processors have indicated that they are going to label their foods that are produced using GMO ingredients. If sales of the GMO-labeled products drop off, they will have non-GMO formulated products ready to take their place.

These six issues are just the tip of the iceberg. Next week we will look at another set of issues that are also factors in the GMO debate. Only when we have

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identified the key issues will we be able to develop a coherent set of policies.

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