

From the pages of [Jim Prevor's Perishable Pundit](#)

Blueberries have been one of the star products of the produce industry the past few years. A “super food” noted for health, sales have blossomed. Both foreign and domestic producers have worked to capture this growing market. Low prices, however, have threatened the viability of many domestic suppliers — especially during so-called “shoulder” seasons when US production competes directly with foreign producers.

The threatened domestic farmers have banded together to petition the government for help in the form of tariffs, minimum pricing, import restrictions — anything that will keep their farms viable.

Larger producers, not as vulnerable, both because of when their crop rolls out and because they have gotten into the business of providing 52-week supply through importing, have banded together to speak for their interests, the interests of retailers and other service suppliers, and of consumers - to keep serving what is anticipated to be ever-rising consumption of blueberries.

(In-depth interviews with industry leaders on both sides of the issue can be read [here](#))

If the issue is what is best for consumers, there is little question that allowing the freest possible trade in commodities and allowing for the widest variety of product over the most extensive time frame and at the lowest possible cost will result in the greatest benefits for consumers.

If the issue is what will benefit business in a broad stroke, again, there is little question that retailers and foodservice operators both benefit from being able to purchase and sell large quantities of items at inexpensive prices. This cascades down the supply chain to trucks, warehouses, shipping lines, etc.

If the question is what will most increase the consumption of a healthy fruit such as blueberries, well, certainly, lower prices and larger availability tick off that box.

For the broader economy, it is also important that other countries prosper. This way, their

citizens can buy US products, come to visit America on business and vacations and avoid the many problems, such as revolutions, terrorism and illegal immigration to America, that are encouraged by poverty and despair in foreign countries.

And yet...

It is also true that many Americans feel it is extremely important to support American farmers. Allowing imported produce to be brought in at a price with which domestic farmers cannot compete also is, long term, not acceptable. Most do not want to see an America in which its own farmers cannot compete.

To some extent, though, this battle has already played out. It was in 2018 that The New York Times ran a piece titled, [Most of America's Fruit is Now Imported: Is That a Bad Thing?](#) The article's author, David Karp, explained:

...the proportion of the imported fresh fruit eaten in the United States rose to 53.1 percent in 2016, from 23 percent in 1975, according to the Agriculture Department's [Economic Research Service](#).

Fresh vegetable imports rose to 31.1 percent from 5.8 percent. (Still, the United States remains a net agricultural exporter, with grains, soybeans, meat and nuts accounting for most of the trade surplus.)

Consumer attitudes toward this situation may be unclear, but actions speak louder than words. After all, nothing stops consumers from buying all [Fair Trade Certified](#) product or all domestic product, but there is little evidence that when confronted with a substantial price differential, consumers want to pay more to get domestic product.

Yet, there is no question that domestic growers are being put in an unfair position. The H-2A program is widely seen as very difficult to manage and very expensive. To some extent, the way things are organized now, it is an "out of sight, out of mind" situation. Domestically, because of our government's minimum wage laws, and requirements of various labor programs, we are forbidden to pay harvest workers at rates that are perfectly acceptable for foreign producers to hire at, and then we expect our domestic farmers to compete.

The same applies to environmental standards. We have often found that the food safety standards used by overseas growers can exceed US standards. This makes sense because foreign growers are selling to the US, Canada, Japan, the UK, Europe and other demanding markets. Rather than segregating the crop to meet specific country standards, they often

apply the highest food safety standards to everything grown in order to maintain flexibility when shipping product.

However, where food safety is demanded by buyers in the demanding markets, those same buyers often do not have the same engagement with labor and environmental standards. It is not even clear how they could. A poor country competes in the world market with its resources - typically low cost labor. Demanding that everyone in the producing countries get paid higher wages and that environmental and ethical standards are met would make these countries uncompetitive.

The idea that temporary relief could be provided to US farmers, and that the industry would then thrive is tantalizing to many Americans. This is why Jerome Crosby of the American Blueberry Growers Alliance phrases the request in that way:

“Temporary relief will give American blueberry growers the time to invest in new varieties that are better suited to mechanized harvests, the harvesters themselves, and field protection. We will also have time to develop alternatives to the industry structure and other initiatives to make the domestic industry more competitive.”

Of course, that *New York Times* article was published three years ago, and the trend to larger import market share goes back decades — so it seems unlikely that all of the sudden domestic growers will find new ways to be competitive.

So here we stand. There are basically three options:

1. Do we support the widespread availability of less expensive, healthy food, much of which will come from overseas?
2. Do we change domestic standards on things such as labor rates to allow US farmers to more effectively compete with foreign producers?
3. Do we “go protectionist” and impose tariffs, import limitations, etc., to keep the domestic price high enough to make farming profitable during the shoulder seasons?

Of course, all of these options have consequences, and, in some cases, they are difficult to quantify. If, however, we impose tariffs and volume limitations to keep other countries out of our market, surely those countries will respond.

This may or may not impact the produce industry. They could restrict produce imports, or they could buy Airbus rather than Boeing. Even if they did nothing overt, these countries

would be poorer, and we could expect more illegal immigration from them or just less buying of US products with their diminished income.

Mr. Crosby is articulate, and he voices a real problem that is likely to gain great sympathy among Americans who generally support US farmers and want them to succeed.

It reminds one of the central battle in American politics between Thomas Jefferson, supporter of the [yeoman farmer](#), and Alexander Hamilton, author of the famous [Report on Manufacturers](#). This battle over blueberries, and protecting US farmers, versus providing for consumers, is truly a battle that has echoed through our history.

In the end, though Jefferson won our hearts, Hamilton won our heads and it is his vision that defines the capitalistic, risk-taking, entrepreneurial society in which we live.