When Farm Leaders Meet Agri-Business

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Main Street, Moose Jaw, is a long way from Wall Street, New York City. And the Manitoba Canola Growers Association doesn't have a lot in common with Merrill Lynch or Citibank. Nevertheless, the ethical issue which currently preoccupies corporate America – conflict of interest - is now stirring controversy across the Prairie Provinces.

It has come to light that a number of Western farm leaders have financial ties to the chemical giant Monsanto. Because these leaders are accepting money and travel from Monsanto at the same time they serve as board members of leading farm organizations, they have been accused of conflict of interest.

First, some background to this story. Monsanto is attempting to persuade the Canadian Government to license genetically modified wheat. Part of Monsanto's campaign hinges on persuading Western farmers to support the introduction of GM wheat to prairie agriculture. This is proving to be a tough sell. Many western wheat farmers fear that licensing GM ["Roundup Ready"] wheat would destroy Canada's most valuable wheat export markets. Europeans, for example, won't touch the stuff. Since there's no safe and sure way to segregate GM wheat from conventional wheat, all Canadian wheat runs the risk of being banned from Europe.

Some Manitoba farmer leaders, such as Ernie Sirski and his wife, have accepted Monsanto-funded travel. [*Winnipeg Free Press*, 14th December]. The Sirskis were treated to an all-expenses paid trip to Spain last year to attend the World Congress on Conservation Agriculture. Mr. Sirski is president of the Manitoba Canola Growers' Association. Another Canola Association board member is a member of Monsanto's grower advisory panel on Roundup Ready Wheat. He is paid $150 per day to advise Monsanto how to win farmer support for the introduction of GM wheat. The Monsanto Roundup Ready wheat panel has four members from each Prairie Province – each receiving similar benefits.

Not surprisingly, the beneficiaries see nothing morally troubling about the situation. Mr. Sirski, for example, is quoted as saying: "It would take more than a trip to Spain to prostitute myself for a chemical company."

In thinking about this issue, farmers could study not only the crisis of confidence now plaguing Wall Street, but also the track record of the Canadian medical community, which is awash in such conflict of interest issues. Big Pharma spends over $20,000 annually per Canadian physician on gifts – including free meals, money to attend company educational sessions, travel, and consulting fees.

I have lectured across Canada on the ethics of doctors' accepting gifts from drug companies. Interestingly, I have never met a doctor who admitted that he or she had been influenced in any way by drug company generosity. When confronted on the issue, they invariably reply, as did Mr. Sirskis: "I can't be bought for ... (fill in the blank: a fancy dinner, Caribbean holiday, consulting fee, whatever)".

Are doctors and farmers incorruptible in the objectivity of their judgment, as they insist? Or, could it be that the drug and chemical companies recognize something fundamental about human nature?

This is a rhetorical question. What the drug and chemical companies understand full well is that much of social life is based on reciprocity. The need to return kindness for kindness, benefit for benefit, is a basic motivator in virtually every human society. It behooves us, therefore, to reflect upon the fact that every dollar of the millions of dollars which the drug companies invest in gifts to physicians and hospitals, and every dollar which the chemical and food companies invest in gifts to universities, farm organizations and individual farmers is viewed by the companies as part of their corporate strategy. They are buying "good will", and influencing people who have important decision-making power. It's a tax-deductible business expense.

That is, every gift to farmers and their organizations from agri-business comes with strings attached. Strings that are sometimes as heavy as an iron chain, even when the recipients don't recognize that their chain is being jerked.

Farm organization directors have an obligation to put the interests of their members first. They have a "fiduciary duty" to exercise their judgement impartially and objectively in the best interest of the members.

Money, however, has a tendency to influence people's judgment. So, when board members accept benefits from a company whose products they must officially evaluate, no one can be certain that their judgement is not being compromised. They may bend over backwards not to be unduly influenced. Sometimes they will succeed. Nevertheless, because human motivation is often complex and difficult to ascertain, there is always a risk that this conflict of interest situation will result in a violation of their moral duty.

In sum, farm leaders who accept benefits from Agri-Business have acquired a "vested interest" which has the potential to conflict with their duty to put the interest of their membership first. Consciously or unconsciously, their judgment may be skewed.

What's true of Wall Street, urban USA, is equally true of Main Street, rural Canada. When the integrity of an organization is not properly protected, the cost can be ruinous.

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