
International Perspective Farm Business Management in Kazakhstan

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Why help Kazakhstan produce and export wheat and flour?

An April 29th editorial in the Western Producer, titled “Wheat strategy necessary to stave off competition”, warned that Russia, Ukraine and Kazakhstan are serious new competitors. The editorial concluded with suggestions that the wheat industry should follow the lead of canola, mustard and flax by devising a strategy to identify Canadian weaknesses to improve competitiveness.

But are we making it worse for Canadian farmers by providing technical assistance to the emerging competitors in the export market? This situation can be viewed in different ways.



A 1980's Russian tractor and a 2010 Bourgault air-seeder

The United Nations (UN) and the Food and Agriculture Organization (FAO) estimate that food production must increase by 70% to feed 9 billion people in 2050. To achieve this, a further 30 million hectares of cropland will be necessary according to the Organization for Economic Co-

operation and Development. If biodiversity is to be preserved, the amount of parkland, forests and natural habitats brought into agricultural use must be minimized.

Agriculture is both reliant on a rich ecosystem and a vital force in maintaining it. Farmers today face the dual challenge of having to increase their productivity while preserving the rich biodiversity upon which long-term food security depends. This is even more important in nations that are struggling economically – they don't have the luxury to put environmental concerns ahead of basic survival.

As a part of the global community, Canadian farmers need to put their best foot forward and improve production efficiencies to meet the 70% food production target on the same, if not less land.



Imagine! No stones and top soil 18 to 30 inches deep

Central Asia has astounding similarities to the Canadian prairies in terms of climate, soils, crops – even the same weeds and insect problems. Canada has been able to take advantage of this by selling their equipment to Russia, Ukraine and Kazakhstan, especially in the last five years. There are literally thousands of equipment units leaving prairie manufactures for Eastern Europe and Central Asia.



Drifting topsoil is all too common and a major management challenge

In addition, Canadian dry-land plant science technologies, including crop protection and plant biotechnology, help farmers increase the productivity of existing arable land, significantly reducing the need to expand agricultural land to more fragile areas.

It is questionable whether the former Soviet Union states can sustainably export large quantities, given antiquated and inadequate farm technology and logistics. There has been 70 years of central planning engrained in the management culture which has become part of how things work. That will not change quickly.

There are different business management views to rationalize international technical assistance. From a hard-nosed economic perspective, consider the quote by Chinese general Sun-tzu, *“Keep your friends close, and your enemies closer.”* Through trade and technical support, Canadians will be well aware of emerging competition yet also one step ahead with new opportunities.

More next week ...

Al Scholz is working as a research agronomist on a 5,200 ha [12,300 acre] demonstration farm in Northern Kazakhstan from May to October 2010. See his Blog for more information at www.awellfedworld.com/blog.