

## Trade protectionism, falling prices behind Chinese GMO corn rejections?

Over the past several weeks, China has [rejected several shipments](#) of approved corn grown in the United States, in a trade spat that hurts American farmers and threatens the future of food production and distribution through trade.

On the surface, this looks like just another episode in the global controversy over genetically modified crops. But that's not the real reason for China's destructive behavior. This is a trade issue. It's simply playing economic hardball, trying to escape from purchase contracts it signed months ago when corn prices were higher. And it's using a phony fuss over biotechnology to distract us from this important reality.

The U.S. is the world's largest corn exporter and China is its No. 3 customer. The Asian nation is expected to buy a record 7 million tons of corn in the 2013-14 marketing year.

The Chinese probably would not behave this way if corn were selling for \$7 per bushel, as it was earlier this year. Today, however, corn sells for about 60 percent as much—and so the Chinese have decided, with astounding cynicism, to use biotechnology as a trade barrier so they can cancel purchase contracts.

**Full, original article:** [The Truth About Technology & Trade With China](#)