The political economy framework revisited: environmental uncertainty and the case of the Canadian “mad cow” crisis

By

JoAnne Labrecque, Ph D.
Department of marketing
HEC Montréal (Montréal, Canada)

Sylvain Charlebois
Doctoral candidate in administration (DBA)
University of Sherbrooke (Sherbrooke, Canada)

Abstract

The increasing global media coverage of food crisis has increased consumer awareness of food safety and has made the food supply chain even more vulnerable to any such event. The discovery of the first North American native cases of BSE in both Canada and the United States in 2003 is no exception. If obvious short-term effects relate more to embargos on Canadian and American beef by trading partners, little is known on how channel relationships were affected in the beef supply chain. In this paper, we refer to the political economy and the institutional framework to discuss how external regulating institutions have affected short-term channel relationships in the beef supply chain.