



**Media Release**

**Attention News/Business/National/Energy Reporters and Assignment Editors**

## **The Moral Case for Allowing the PotashCorp Takeover**

*Statement issued by Corporate Knights Magazine's Editor-in-Chief*

TORONTO, November 2, 2010 – In anticipation of the Harper government's decision on whether or not to approve BHP's bid to takeover PotashCorp, Toby A.A. Heaps, Editor-in-Chief of Corporate Knights Magazine, would like to issue the following statement:

"PotashCorp is a mastermind of the world's most powerful cartel, Canpotex, which has been playing high-stakes poker with global food security and jacking up potash prices by restricting supply. While these actions are permitted under a Competition Act loophole for exports, they would likely result in criminal sanctions if directed at Canada. The reason cartels are generally illegal is they hurt consumers—in this case, one billion hungry citizens and poor farmers who cannot afford astronomically priced potash fertilizer."

"BHP says it would smash the cartel. Why should we believe BHP? Two reasons. BHP has a different business model. It's designed to make money as a high-volume, low-margin provider of commodities to emerging markets like China. The second reason is actions speak louder than words: BHP already broke up one cartel in the iron-ore market. BHP is out to make money for its shareholders and we shouldn't expect the company to solve world hunger. But it's a good bet it will be a more responsible steward of this resource, which means allowing the takeover is likely to lead to more affordable potash, more food, and less hunger."

Toby Heaps was on CBC's The Current this morning speaking about the takeover. You may listen to him at <http://www.cbc.ca/thecurrent/>.

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**About Corporate Knights**

Founded in 2002, Corporate Knights Inc. is an independent Canadian-based media company focused on prompting and reinforcing sustainable development in Canada.