

**FOOD AND THE
PUBLIC INTEREST**

by

**Christopher Haskins
Chairman, Northern Foods plc**

THE CAROLINE WALKER LECTURE 1995

CHRISTOPHER HASKINS

Christopher Haskins, the Chairman of Northern Foods plc, is a modern rarity: a businessman deeply committed to the nation's social affairs. Born in Dublin on 30 May 1937, he grew up in County Wicklow as a farmer's son. He was educated at St Columba's College and Trinity College Dublin. In 1962 he joined what was then called Northern Dairies; he became Chairman of Northern Foods in 1986. He is a Trustee of the Runnymede Trust, a charity committed to improving race relations in Britain; a Trustee of DEMOS, a non-partisan think tank; a member of the Commission on Social Justice, set up in 1992 by the late John Smith MP, and a member of the Minister of Agriculture's Common Agricultural Policy Group, set up in 1995 to examine reforms. He is also an enthusiastic campaigner for Europe and regionalism.

Christopher Haskins is married with five children. He lives on an 800 acre farm in East Yorkshire which is run by his wife and eldest son. He writes and broadcasts occasionally, and is deeply committed to the countryside, cricket and Irish football teams.

THE CAROLINE WALKER TRUST

The Trust was set up in memory of the nutritionist and campaigner Caroline Walker, who died in 1988. The Trust's mission is the improvement of public health by means of good food – a cause which Caroline made important to everybody in this country. The Trust, which relies on charitable donations, exists to further her work through research and publications.

© Christopher Haskins 1995

Published by
The Caroline Walker Trust
6 Aldridge Road Villas
London W11 1BP

Registered Charity 328580

Printed by KKS PRINTING
Edited by David Dickinson

ISBN 1 897820 04 6

Food has played a large part in my life. My grandfather was born in Connemara in 1847, in the midst of the worst natural disaster that has ever struck Europe – the Irish famine. In the first three years of his life, 3 million people either died or left Ireland to escape from the catastrophe. When I was in Zimbabwe a few weeks ago, I found the Government struggling to provide relief food supplies to remote areas of the country where starvation still threatens. The images of 1847 being recast in 1995.

My father's family, middle class Protestant, unlike my mother's, have farmed in County Wicklow for generations. It was my first ambition to run the family farm – but it was not to be. Thirty-five years later, one of my Yorkshire-bred sons has gone back to Ireland to run the same farm. My eldest son, with some assistance from his mother and father, runs an arable gold-mine of 800 acres in East Yorkshire, which thrives on the absurdities of the Common Agricultural Policy (C.A.P.). As for myself, I married the daughter of the boss of a small Yorkshire business called Northern Dairies and have spent over 30 years in that company, watching it grow into one of Britain's leading food manufacturers.

Although milk is still important, recent events, including the rapid decline of doorstep milk, have led to traumatic reorganisation of the milk industry. Fortunately, we have expanded into all sorts of different food sectors over the last 25 years – from pies and sausage, to prepared ready-meals, from biscuits to cake, from

sandwiches to pizzas, from trifles to fromage frais. Today, we are by far the largest supplier of food to Marks & Spencer, and one of the leading suppliers to J. Sainsbury, Tesco and Safeway. So, food is in my blood!

The excitement over food

And no other issue excites the public as much as food. When it is in short supply it creates devastation and political upheaval. When it is in abundance it creates a brand new industry, as represented in this room tonight. And now the doctors often suggest that it is only food and the food industry which denies the human race the prospect of immortality.

So let me start by having a look at food and its impact on history. In the politics of Stone-age man, food clearly played a big part. It probably represented 90% of gross domestic product (G.D.P.). The upkeep of caves was low, and there was a limited demand for fashionable clothing. There can have been few other topics of conversation – except for food and, perhaps, sex.

Today, the advanced, prosperous Western countries spend only about 15% of their G.D.P. on food, but even now when two or three people are gathered together, the issue of food seems as obsessive as it was with our illustrious ancestors.

When food means survival

And, of course, there are still, tragically, huge areas of the world where the supply of food remains the most urgent issue of the day. On the visit to Zimbabwe, I saw a dramatic example of the gap between the developed and the Third World countries. I visited a farm which grows and packs exotic, expensive vegetables, flown daily to the supermarkets of Europe. Less than 100 miles away there were hundreds of thousands of people on the verge of starvation. Where lies the public interest in Zimbabwe on this issue? To encourage the export of cash-crops which create jobs and

foreign exchange, or to divert the mange-tout, runner beans and asparagus to the desperate mouths up the road? I suspect that, on balance, priority must be given to the jobs created by the exports.

Famine, food and political consequences

The political consequences of the famine in Ireland were immense. Within a generation the population was halved, and a revolutionary reform of land tenure had been completed. A move towards independence had begun and, with it, the gradual dismemberment of the British Empire.

At about the same time as the Irish famine, another great food-related decision was taken which has profound political consequences to this day. In 1845 the Government of Sir Robert Peel abolished the Corn Laws, and in so doing dismantled the tariff barriers which had protected British farmers from the threat of imported, cheap food. Until then, farming had prospered. Afterwards it entered into a century of decline. The price of corn in 1815 – the year of Waterloo – was never matched in Britain again until about 1950.

The Conservative Party split disastrously for nearly a generation because of the argument about the Corn Laws. The Liberal Capitalists argued that cheap food was essential in order to satisfy the needs of the engine room of the industrial revolution – the rapidly growing mass of workers in the great Cities. The Protectionists vainly sought to maintain the prosperity of the countryside.

Britain, alone of the industrialising countries, opted for “the pain” of free trade (that is why today we are at odds with the C.A.P. protectionists in Europe, who have yet to face up to the consequences of the G.A.T.T. settlement). But, of course, the sudden free access to British food markets, whilst devastating British farming, transformed the emerging economies of North America,

the Antipodes and Argentina. It stimulated the development of railways and American agricultural engineering. It opened up Continents, it led to mass migration. America became a dominant economy because of its farmers, and by the end of the nineteenth century, Argentina, with its beef, was amongst the richest countries in the world.

A return to protectionism

The repeal of the Corn Laws, and the subsequent decline in British agricultural output, nearly led to disaster in the two 20th century World Wars, as German U-boats sought to cut off the essential food supplies from America. Indeed, one consequence of this threat to the food supply, after the Second World War, was a return to protectionist, subsidised support for farmers, in Britain and throughout Western Europe.

One of the original arguments for the C.A.P., propounded by its founder, Mansholt, was that Europe must never again be threatened by starvation and shortage and, to that end, farmers must be guaranteed a market and a price for their output.

So the argument about Food and the Public Interest has been at the forefront of politics for centuries, and nothing in today's Europe remains as controversial as the clash between the C.A.P. and the proposed reduction of food tariffs agreed under the recent settlement of G.A.T.T. (the General Agreement on Tariffs and Trade – officially renamed the World Trade Organisation).

Rebuffing the Reverend Malthus

There has been another, potentially apocalyptic view of food, propounded by Malthus over 200 years ago. He argued that population growth would exceed the world's capacity to increase food production, with appalling consequences. For most of the last two centuries it appeared that he was going to be proved right, as the threat of famine spread through the Continents of Asia and

Africa. It has only been during the last 30 years that the world's scientists have succeeded in rebuffing The Reverend Malthus – at least temporarily.

During that period, agricultural productivity has been transformed. The botanists have developed wheat varieties whose straw is shorter and stiffer, and therefore able to resist tropical storms in countries like India. Now India is a net exporter of wheat, and will shortly overtake the United States as the world's largest producer. The chemists have developed pesticides which have protected African animals and crops from the devastating impact of the tropical pests. Fungicides have eliminated the nightmare of potato blight in Ireland. The geneticists have developed cows whose yield per lactation has trebled in 50 years, and pigs whose fertility has doubled. Today, the world has the capacity to feed itself. The problem of food shortage lies in the distribution rather than the production of food.

The costs of progress

But, of course, the public is rightly anxious, especially in the affluent West, about the consequences of such scientific progress. D.D.T., the pesticide which dealt with the tsetse-fly, is now banned because of its harmful side-effects on human beings. The excessive use of nitrates pollute water supplies. Intensive techniques for meat production, particularly with regard to poultry, eggs and pork, raise moral questions about animal welfare.

And Malthus may *still* have his day! During the next 35 years the world will have to produce twice as much food as in the previous 10,000 years. I have no doubt that it will take all the skills of the scientists and engineers if this target is to be achieved. The botanists, the chemists and the geneticists will have to become more resourceful, combining increased productivity with the restraints imposed by increased environmental and social responsibility.

The productive land on the globe will have to be protected and farmed properly. Engineers must find ways of conserving water and delivering it economically to where it is needed – the greatest challenge of all. And the politicians must strengthen international agreements which eliminate conflict and promote economic prosperity and the fair distribution of food.

Dangerous delusions

There are many who argue that nations should stick to protectionism, particularly with regard to agriculture. They are wrong. Protectionism will not resolve the food problems of Zimbabwe, and economic protectionism has, historically, been the precursor to international tension. Many would seek to convert our agriculture to organic methods. This, too, is a dangerous delusion. Malthus would be home and dry in a matter of months if the world's agriculture went organic! So what we need, in the world's interest, is a balance.

The progressive reduction of tariff barriers, with proper protection for those adversely affected by the change, will increase food production, world trade and world co-operation. The industrialisation process, the migration from the land to the Cities, is irreversible. We should recognise this reality, rather than, like Sir James Goldsmith and Mr. De Valera, concoct an unreal, romantic vision of a revived rural community. Tell that to the wretched inhabitants of South Africa's barren homelands, or the overcrowded rural slums of China, where the sole preoccupation is to get out of the countryside as quickly as possible.

The scientists' work is necessary. Of course, the scientists have made dreadful mistakes, none more so than in the deceptions about the atomic bomb in the post-war years. (For this, wicked Governments take as much blame as the scientists). But gradually we are learning from our mistakes. We must encourage the scientists if Malthus is to be denied – but we must also monitor them.

New priorities for a modern Government

Let me now suggest some Food Policy Priorities for a Modern Government:

- There should be plenty available, at reasonable prices.
- Food should be safe.
- It should be produced responsibly.

An adequate supply of food will be dependent upon the efforts of farmers, engineers, botanists and chemists.

Governments must continue to sponsor and monitor Food Research. Governments must provide the infrastructure for efficient food production and distribution, including water supplies, road systems and effective international trade agreements.

More parochially, British Governments must ensure that good food is not just available to those who can afford to drive to the out-of-town supermarket – where clearly the best food deals are available, in terms of range, quality and value.

The Planners must make food shopping also accessible to the poor, the old, the Inner City dwellers, the people who do not own cars and do not have access to public transport. We simply must bring food shopping closer to where people live. As well as being fairer, it will also reduce the unnecessary use of the cursed motor car.

Making good food affordable

And food should also be affordable. For millions of poor people good food is still too expensive and because of that they buy the cheapest food, which can also be the nastiest. We worry, correctly, about the problems of food and diet. But we should not concern ourselves with the diet of the affluent, which is generally perfectly

O.K.. Instead we should concentrate on the diet of the poor – where the nation's real and chronic health problems reside. Fruit is expensive and, therefore, is not purchased by the poor. Animal fat is cheap, and the poor consume too much of it. Poor people, through despair and ignorance, rely excessively on low-quality, normally canned, convenience food. Their children are too dependent on salty snacks. Obesity appears to be more widespread amongst poor people because of the lousy, cheap diet on which they rely.

The role of the manufacturer

British food journalists, like Mr. Michael Howard, thrive on scapegoats. To many of you, everything is the fault of the faceless, sinister, food manufacturers – even more threatening if they happen to be multi-national.

The argument goes that these immoral marketeers invent bad food and promote bad diet for profit. As one who views all moralists with suspicion, there seems often to be a very narrow line between hot-gossiping and self-righteousness.

My company's contribution to the public interest is very specific. I must not manufacture food which is clearly dangerous or illegal. But I will use preservatives which are perfectly safe, and I have no hesitation, indeed I delight in, selling Marks & Spencer tens of millions of cream-filled eclairs each year.

We offer our customers a choice – of high-fat or low-fat, of fresh or frozen or canned, of salty or saltless food – and it really is up to them to choose. Yes, I can see the concerns about food advertising which encourages children to eat too many crisps and chocolates, but two questions must be asked.

First, who decides that Lady Chatterley is O.K., but that the Big Mac advert should be censored? Secondly, the vast majority of

children (despite what you may read) still live with their parents. If parents condone their children's dreadful habits, and they seem to aid and abet them by actually taking their children to McDonald's, it seems a bit unreasonable to expect the purveyors of these symbols of modern society to exert moral restraint and prohibition.

The safety of food

We heard a lot about safe food during the heady days of Edwina Currie and Richard Lacey. The campaign for safer food remains an important one. There are far too many health problems in the world arising from unsafe food. If the food industry is not constantly scrutinised by the authorities, malpractices will abound. But these campaigns need to be scientifically sound, and avoid emotional intonations which can be unnecessarily alarming. I had no difficulty with Professor Lacey's microbiological concerns about salmonella and listeria – after all, he is a reputable microbiologist. I was less happy when he pronounced on complicated neurological issues related to Bovine Spongiform Encephalopathy (B.S.E.).

But, of course, British concerns about safe food are insignificant when compared with those of the Third World where, for example, contaminated water remains a chronic and horrific source of danger to the food chain. Governments must ensure that water is safe. It must remain a major priority of the international aid programmes. And they must stimulate investment in safer process technology: think of the impact of Lister in the nineteenth century. They must also scrupulously monitor potentially risky scientific developments, particularly in the area of food preservation. Whilst food irradiation and genetic engineering may be unappealing to sophisticated neurotics in the affluent West, they may be of crucial benefit to the hungry people of Africa.

Responsible production: a question of balance

The concept of responsibly produced food is a new one, which would not have been considered 50 years ago. The pollution of the

environment first became an issue as a result of the successful campaign to outlaw the atmospheric testing of nuclear weapons. Who today would tolerate the outrage of such practices which were pronounced perfectly safe and justifiable by our Government scientists and Cabinet Ministers just 30 years ago? Today, food production, like every manufacturing process, comes in for critical scrutiny by the environmentalists. We need, as ever, to maintain a sensible perspective on the issues.

The botanists and the geneticists *can* develop plants and animals with inadequate natural resistance, but they have also produced the dwarf wheats which can survive in the tropics, the cows which produce three times as much milk as a generation ago, and the sows which can produce twice as many piglets as before.

The chemists, with their sprays and fertilisers, can do dreadful damage to the environment, but agricultural yields of the major crops have probably trebled over the past 50 years as a result of their work.

The tractor and combine harvester may also pollute the atmosphere, but they have also transformed the hazardous business of harvesting into a relatively routine, secure process.

We are perhaps in a better position than ever to strike a proper balance between the zeal of the entrepreneurial businessmen, the pioneering scientists, and the concerns of the environmentalists. We must apply common-sense before either scientific or ideological dogma.

Three areas where Governments should intervene

I believe that in today's Britain the food industry, including agriculture, should not for the most part be treated differently by Government compared with other industries. Governments are inept when intervening in industry, and they are particularly bad

when it comes to food. You only have to look at the state of Russian agriculture to recognise this.

Nowadays, the market economy is generally (even by Chinese Marxists) recognised as the most efficient means of creating wealth. However, in order to make markets work effectively and fairly, Governments must intervene in three crucial areas:

- To ensure that true competition applies in the market.
- To regulate against the exploitation of labour
- To regulate against the exploitation of the environment.

Food, like other industries, must be scrutinised under these three criteria.

I. Ensuring proper competition

Firstly, the issue of a competitive food market. During the war, because of the threat of a shortage, food had to be produced almost regardless of cost, and normal competition criteria went by the wayside. Monopolies were created, cartels encouraged, and prices manipulated, because – in a crisis of war – it was in the public interest so to do. Even in the United States, a youthful Professor Kenneth Galbraith found himself arbitrarily fixing agricultural commodity prices in a small Washington office, watched by an incredulous Maynard Keynes!

All that has changed, certainly in the West. In the nuclear age the likelihood of a war which would threaten our food supply is remote, and if such a war happened the resulting devastation would make the security of the food supply impossible – and irrelevant. Besides, we now have strong international economic and political institutions which guarantee adequate supply of food in Europe.

Given that, there seems little reason why competitive and free markets should not develop in food, although for some countries the threat to supply arising from natural climatic disasters does have to be taken into account. The time has now come to start dismantling the divisive protectionist structures which prevail in world food and agriculture. I have no doubt that the introduction of food into the G.A.T.T. settlement, aiming at reducing tariff barriers, is correct. The dismantling of the highly protectionist Common Agricultural Policy is an inevitable consequence.

Many farmers and their supporters are dismayed at such a prospect, but they should bear certain points in mind before they protest. Why should a farmer receive more protection from the State than a miner? There is no longer a heroic wartime role for either farmers or miners.

And the process of adjustment to an increasingly tariff-free market in food will not be as traumatic as it was when the Corn Laws were repealed. Our farmers are now much better placed to compete with the Americans and the Australians than before, for several obvious reasons:

The world's demand for food is rising so the disposal of surpluses should not be a problem. Many, but not all, of those parts of the world which are short of food have the foreign exchange to buy from us. Africa, of course, remains the sad exception.

World food prices are already soaring – perhaps dangerously – as subsidies are reduced and demand increases.

Our farm structures are much more competitive than before. Even in France the tiny peasant smallholding is on the way to becoming part of history. Our technology enables us to compete more effectively.

The opponents of agricultural free trade fantasise that, under a protectionist umbrella, we can keep in place the rural structures of countries such as Poland, China, South Africa. What right have Sir James Goldsmith and company to assert that people should be obliged to continue to live in rural squalor and deprivation? Have they bothered to ask them?

Let me tell you something. De Valera learnt a harsh lesson about such delusions in his protectionist Ireland of 50 years ago! Poverty in the countryside became institutionalised, and the rush to the Cities, and to the emigrant boats, accelerated. There is only one thing worse than urban poverty – and that is rural poverty.

I would go further. Protectionism has resulted in terrible exploitation of Africa by the West. Commodities which have been the source of Africa's historic wealth have, in recent years, been over-produced and as a result collapsed in value. Because of protectionism, an African coffee producer was prevented from adding value by converting his beans into instant coffee. The diamond miner was effectively prevented from adding further value to his precious commodity. All that must change in a tariff-free world of food.

2. Protecting workers against exploitation

Next let me look at the Government's responsibility to tackle the exploitation of labour in the workplace, whether farms or factories. Since Lord Shaftesbury, all democratic governments have accepted the need to regulate against exploitation – only the most primitive Liberal Capitalist would disagree. So the question about regulation is not "if", but "how much?"

Nobody seriously questions regulation in this country which prevents the abuse of children in the workplace. Health and safety regulations are progressively strengthened. In my view a Social Chapter and a Minimum Wage are only part of this evolving

process. Anyone who bothers to read the Social Chapter should feel ashamed of themselves if they cannot agree with its modest, but civilised aspirations.

There has been an especially strong tendency towards exploitation in the food industry and in agriculture, where regulation has been difficult and conditions often unpleasant and hazardous. Farming is a dangerous business. The health risks arising from the reckless use of chemicals on food mainly fall on those who apply them. The combination of complicated machinery and intensive labour in modern agriculture can be lethal. And the exploitation of workers in the countryside, now less serious in Europe, remains a horrendous problem in the developing world.

For all these reasons Governments must continue to regulate and intervene in the labour markets of food. And, of course, with free trade in agriculture, social problems will be inevitable – as they have been, for example, in textiles, when tariff reforms are embarked on. Governments must intervene, by giving people time to adjust, to change, and to provide proper compensation and social security for the victims of change.

3. Protecting the environment

But the third aspect of regulation – the protection of the environment – can also be used by Government to reduce the social pain arising from a competitive, international food market.

The countryside is recognised as one of the most precious national assets. Instead of subsidising people to produce food at inflated prices, we must now pay those same people to maintain and enhance our rural environment.

Of course there will be victims of change. Of course there will be the danger of agreements which put one country at a disadvantage against another. In this respect the Americans will need very

careful watching – they have been notorious covert subsidisers of their farmers. To this day Uncle Sam provides the affluent Californian farmer with his irrigation free of charge. People must be given time and support to adjust to change; but they must go along with it, rather than bury their Luddite heads in the sand.

The public interest, Britain, 1995

In 1945, because of the sense of community arising from the War, defining the public interest was quite easy. Most people agreed with Beveridge's analysis, highlighting the social evils of want, squalor, disease, idleness and ignorance.

In 1995, in South Africa, because of the extraordinary transformation from totalitarianism to democracy, most people agree with Nelson Mandela's vision of the public interest.

But in 1995, in Britain and the United States, the unwholesome pursuit of personal interest under laissez-faire capitalism has made it much more difficult to define what is the "public interest". People have been encouraged to place personal interest ahead of the public interest and even, ludicrously, to believe that there is no such thing as society. Happily this temporary national aberration is now on the wane, but there are still a number of odd-balls.

We must strive to define the public interest, which in the area of food would appear to suggest:

- That hunger and malnutrition must be eliminated.
- That people should have affordable food, safe food, good food.
- The efficient production of food must be reconciled with the protection of the environment.
- That animal welfare, to which I have not referred, must be taken

into account in the production of food, but not as a priority over human welfare.

- That people should understand the relationship between diet and health, and make up their own minds accordingly, but that in addition a bad diet is one of the many conditions of being poor which remains a disgrace in a modern, civilised society.

Somehow we must strive to get a balance between all the clashing, vested interests in the Food Game:

- Devious Governments
- The neurotic middle classes
- The campaigning aristocracy (I can't quite work out their angle!).
- Unscrupulous farmers
- Evangelistic organics
- Self-righteous environmentalists
- Lethal animal lovers
- Dogmatic scientists
- Pompous journalists
- Greedy company chairmen.

If we can deal with all these wonderful combatants, and get them to agree, then we will have successfully defined "The Public Interest".

THE CAROLINE WALKER TRUST

The Trust was set up in memory of the nutritionist and campaigner Caroline Walker, who died in 1988. The Trust's mission is the improvement of public health by means of good food – a cause which Caroline made important to everybody in this country. The Trust, which relies on charitable donations, exists to further her work through research, bursaries, awards and publications.

If you would like to make a donation to the Trust, please send your cheque to: The Caroline Walker Trust, c/o The Food Foundation, 100 Old York Road, Yiewsley, London W51 1AP. All cheques must be made payable to the Caroline Walker Trust.

Price £7.50

ISBN 1 897820 04 6