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Agricultural Policy *Wyn Grant*

Introduction

For much of the post-war period, agricultural policy offered the prime example of a policy arena dominated by a stable and exclusive policy community in which policy change occurred only incrementally. Policy was framed around a 'productionist' policy paradigm which emphasized the maximization of domestic production in the interests of food security, a goal that it was thought required and justified the payment of considerable subsidies to farmers. British membership of the European Economic Community (EEC) in 1973 changed the way in which these subsidies were paid, but not their extent. Agricultural policy even survived largely unscathed the shift to a neo-liberal policy paradigm which characterized the Thatcher Governments during the 1980s.

However, by the start of the 21st century, both the form and content of agricultural policy was starting to change in significant ways. In part, this reflected a more general change in society from a politics of production towards a politics of collective consumption (Grant, 2000: Ch. 9). It also reflected a long-term shift in consumer preferences away from price (although that was still important for many consumers) towards quality, value-added and food safety. Indeed, consumers were becoming increasingly concerned about the welfare of the animals that provided the food. A greater emphasis was given to the environmental impact of farming. Although the European Union's Common Agricultural Policy remained largely unreformed, the way in which subsidies were paid was changing, and there was a new emphasis on the 'multifunctional' character of farming as a provider of public goods including attractive landscapes. The devolved administrations in Scotland and Wales – particularly the former – were able to take new initiatives on agricultural politics. Above all, the Ministry of Agriculture, Fisheries and Food (MAFF), which had been seen – with some justification – as a spokesperson for farming interests within the machinery of government, had been replaced by the Department of the Environment, Food and Rural Affairs (DEFRA) with a new remit.

The 1947 Agriculture Act and the productionist paradigm

The 1947 Agriculture Act, passed by Clement Attlee's 1945–51 Labour administration, provided the basis of British agricultural policy until Britain entered the EEC in 1973. It instituted a comprehensive system of subsidies for farmers which were reviewed each year, through a process of negotiation with the National Farmers' Union (NFU), known as the annual farm price review. As such: 'During the first few years of the recovery period, the

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output objective comprised the general expansion of agricultural production virtually regardless of either the commodity composition of the extra output, or the costs and efficiency of expansion' (Ingersent and Rayner, 1999: 130).

Post-war agricultural policy generally – not just in Britain – was dominated by the objective of food security, which led to an emphasis on the maximization of production as the principal goal of agricultural policy. Although no one starved in Britain during and after the war, and the diet consumed was generally more nutritious and balanced than in more prosperous times later in the century, food rationing was not popular. In continental Europe, though, starvation was not an unknown phenomenon in the immediate post-war period. There were fears of a recurrence of the post-war slump that agriculture experienced in the years after the First World War, from which it never fully recovered until the outbreak of the Second World War. There were also concerns that scarcity of supply might force up prices at a time when food comprised a much larger part of the average family budget. With Britain still very reliant on imported food, the development of the Cold War raised fears that its sea-lanes might again be vulnerable during armed conflict as they had been during the Second World War.

Tom Williams (later Lord Williams of Bamburgh) was agriculture minister from 1945 to 1951, and therefore the architect of the 1947 Act. His approach to agricultural policy was made clear in his memoirs: '[It] was clear that the world would be suffering a grave food shortage for some years to come ... the essential first need was to maintain the momentum of food production achieved during the War' (Williams, 1965: 154). Outlining the Government's plans to the House of Commons in 1945, he explained that: 'the Government propose to establish as an essential and permanent feature of their policy for food and agriculture a system of assured markets and guaranteed prices for the principal agricultural products' (Williams, 1965: 156).

The 1947 Agriculture Act included an unusual provision that required the Government, when setting agricultural price support levels, to consult 'such bodies of persons who appear to them to represent the interests of producers in the agricultural industry'. In practice, this was interpreted to mean the NFU and its associated bodies in Scotland and in Northern Ireland, the Scottish Farmers' Union and the Ulster Farmers' Union respectively. A break-away farmers' union was formed in Wales in 1955 (*Undeb Amaethwyr Cymru*) and received official recognition in 1978. The Country Landowners' Association (CLA), with its basis of support in the traditional big estates, also enjoyed a highly influential position. However, it was the NFU that was uniquely privileged, for it

derived considerable political advantage from its symbiotic relationship with MAFF: through the Ministry's single-minded commitment to the farmers' cause, through the NFU's entrenched role in policy making and through its privileged access on a routine basis to centres of decision making, including the highest levels of government. The Ministry and the Union are in constant contact at all levels over the myriad of issues, large and small, that arise in the development and implementation of policy. (Cox et al., 1986a: 185)

MAFF was seen as something of a backwater in Whitehall, not the place where the most ambitious civil servants would wish to go, but there were advantages in being 'an old and unusually inbred department' (Self and Storing, 1962: 78). The position of agriculture was

strengthened by the fact that the Scottish Office also functioned as an agriculture department with representation in Cabinet committees, later joined by the Welsh Office. The Ministry of Agriculture in Northern Ireland 'was also integrated into the national policy and Annual Review machinery' (Greer, 1996: 59).

Faced by the formidable institutional weight of this agricultural establishment, the Ministry of Food attempted to act as a champion for consumers, but was finally absorbed into MAFF in 1956. The influence of the Treasury, meanwhile, was 'limited by the established conventions of the price review' (Self and Storing, 1962: 78). Dissident politicians did question the wisdom of a high subsidy agricultural policy from time to time, but quickly found themselves crushed by the weight of the agricultural establishment and its shared assumptions. John Strachey had been Minister of Food from 1946 to 1950 and caused trouble for Williams: 'at heart Strachey was never anything but a free-trader, and I don't believe that he ever really appreciated what we were trying to do at the Ministry of Agriculture in the post-war years'. The official orthodoxy was that the policy was one of consumer subsidies, albeit largely paid to farmers (food subsidies to consumers were pegged in 1949). It is true that the Government had chosen not to follow the option of imposing tariffs on imported food, opting instead to continue with the traditional policy of allowing cheap food to enter the country and compensating farmers for the difference between guaranteed and market prices. Stanley Evans, Parliamentary Under-Secretary of State at MAFF after the 1950 election, nevertheless caused trouble by doing 'everything he could to reduce the taxpayers' contribution towards the settlement of the review' (Williams, 1965: 176-7). Eventually, this unorthodox stance became publicly known and he was dismissed.

The very complexity of agricultural policy helped the farmers to secure good deals from successive price reviews, although this did not stop them complaining about many of the settlements. It has been noted that: 'The record suggests that Cabinets have often made substantial last-minute concessions rather than face an open disagreement with the [NFU]' (Self and Storing, 1962: 79). For example, in 1967, the Labour Cabinet discussed that year's farm price review in the presence of Richard Crossman, whose wife owned a farm. The agriculture minister had asked for an extra two old pence a gallon on milk, but the Treasury had been prepared to concede only 0.75 old pence, a figure gradually increased to 1.5 old pence. The previous weekend Crossman had talked to his wife's farm manager 'who had told me that he thought [1.5 old pence] was very good if only the farmers could get it in ... so I realized that Fred [Peart, the agriculture minister] was demanding a great big bonus' (Crossman, 1977: 238, diary entry for 14 February 1967). Nevertheless, the Cabinet agreed to the 1.5 old pence figure argued for by the chair of the Cabinet's agriculture committee. Apart from Crossman, 'No one knew that the compromise was a very generous concession to the farming industry' (Crossman, 1977: 239, diary entry for 14 February 1967).

These political advantages enjoyed by MAFF persisted until the 1990s, by which time agriculture was coming under increasing pressure on environmental grounds. Gillian Shephard, Secretary of State for Agriculture from May 1993 to July 1994, recalls that MAFF was paradoxically helped by the fact that it had 'almost no clout in Whitehall, being both unfashionable and arcane' (Shephard, 2000: 112). She argued that:

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It was regarded by smart political commentators as dull, and by other Departments as incomprehensible. Therefore the Minister was left alone for the most part to get on, which is certainly in its way a form of power. It worked particularly well with the Treasury, whose clever officials knew nothing about agriculture and who usually gave in during public expenditure rounds, simply out of boredom. (Shephard, 2000: 22)

The most important long-term effects of the productionist paradigm were to be found not so much in the policies it produced, for these soon started to be modified: 'Between 1950 and 1954, there was some shift in the objective of production policy away from general expansion regardless of efficiency to expansion combined with improved efficiency' (Ingersent and Rayner, 1999: 131). However: 'Although increased "efficiency" was called for, what exactly was meant by "efficiency" was not generally defined, nor were there any major provisions for achieving it' (Cheshire, 1975: 66). Raising farm incomes and expanding output continued to be the most important aims, reflected in a target to increase production by 1956 by 60 per cent over the average level of the immediate post-war years.

With its emphasis on the importance of taxpayer-funded rewards for increased output by farmers, the most lasting effect of the productionist paradigm was the mindset it produced in many farmers, a mindset that was slow to change. At the risk of some caricature, this mindset was one that emphasized maximizing efficient production, regardless of any negative externalities. The nation should be grateful for the food thereby produced, and express its gratitude in terms of subsidies funded by taxpayers.

In broad terms, the productionist paradigm comprised the following main features:

- Farmers deserved and required substantial subsidies, both to provide the food the nation required, and help the balance of payments (this latter argument became particularly important in the 1960s).
- Government should set out the overall parameters for the future development of agriculture, but do so through a close and intensive dialogue with farming organizations. The task of MAFF was to represent farmers.
- Capital should be substituted for labour with government support, although often grants were diverted into consumption, rather than capital expenditure.
- Intensification of farming was desirable and necessary, including the increased use of fertilizers and agrochemicals, and the enlargement of fields through hedge removal (all activities encouraged at one time or another by government subsidy).
- Government should provide research and advisory services to encourage innovation, supported by a network of specialist educational institutions for agriculture.

Changing economic and political circumstances, including a greater emphasis on the role of markets, more sophisticated consumers and growing pressures from environmental organizations, did little to change these perspectives, although individual farmers challenged the prevalent policy paradigm or modified their own practices. Oliver Walston, an East Anglian grain farmer, made himself unpopular by questioning the need for subsidies and protection. A more typical view was expressed by the chairman of the Devon NFU who complained that: 'There appears to be almost an anti-farmer, certainly an anti-subsidies, culture in the MAFF civil service today. But the fact is that they are responsible for farmers'

income' (*Farmers Weekly*, 14 November 1997). One would have thought that by 1997, like other groups in society, they might be responsible for their own incomes. Similarly, notions of the importance of economic planning persisted long after they had disappeared elsewhere. The president of the Scottish NFU commented:

... above all, we need a clear statement from government about its view of the future role of agriculture. If government wants fewer farmers then it must come out and say so. Then we can sit down with ministers and plan some orderly approach. (*Farmers Weekly*, 19 June 1998)

Indeed, some farming leaders attempted to revive the productionist paradigm in the 21st century through a use of food security arguments based on the threat of terrorism.

In the 1950s and 1960s, the objective of maximizing production in agriculture remained paramount, with balance of payments starting to assume a greater importance, particularly under Harold Wilson's 1964–70 Labour Governments, which viewed the elimination of balance of payments' deficits as a major economic policy objective. Previously, under the Conservatives in the 1950s, there had been a greater emphasis on selectivity in the support of commodities, although, apart from the case of pigs, this generally meant standstills in guaranteed prices rather than reductions. There was, however, an increased use of deficiency payments, reinstated in 1953 and formally embodied in the 1957 Agriculture Act. This meant that:

Farmers sold their output at the best market price they could obtain, but any difference between the average market price thus realized and the guaranteed price determined at the annual review was made good in the form of a Government bonus paid retrospectively on each unit of output sold. (Self and Storing, 1962: 70)

Advocates of deficiency payments deemed them to be closer to the market mechanism than other methods of subsidy. Farmers were encouraged to respond to market signals, for markets normally function without the accumulation of 'mountains' or 'lakes' of surplus stocks later evident in the EEC's interventionist purchasing system. Politically, they had the advantage of enabling Britain to continue to import competitively priced agricultural products from the Commonwealth, a practice that both benefited consumers and strengthened traditional political ties.

However, there were two important drawbacks. Firstly, in a net food importing country like Britain, 'if imports are unrestricted the exchequer cost of the deficiency payment bill remains uncontrolled, and is likely to rise unpredictably if there are exogenous downward shocks to the price of imports' (Ingersent and Rayner, 1999: 136). Secondly, Britain did not participate in the formation of the European 'common market' and the discussions that produced the Common Agricultural Policy (CAP). Britain subsequently had substantially to modify its subsidy arrangements when it joined the EEC in 1973.

By the 1960s, there were the first signs that the privileged position of farmers, especially the larger-scale ones who benefited most from the subsidy policies, was coming under challenge. Not only was there a discussion about the income distribution effects of the policies, there was also:

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The first shock to farmers' complacency and the belief that the national system of financial support for agriculture was 'gold-plated' came in 1960. ... Prime Minister Macmillan made clear the Government's unease at its open-ended commitment to provide deficiency payments if prices fell as a result of markets being saturated. (Plumb, 2001: 22)

Entry to the European Economic Community (EEC)

Between Britain's first and final application for membership of the European Economic Community, the position of the NFU shifted from outright opposition to broad support. In view of the generous levels of support provided to farmers under the CAP, what did the farmers have to fear? In part, it was a simple fear of the unknown. The annual price review process suited the leadership of the NFU very well. In particular, it allowed them to balance settlements between 'corn and horn' (arable and livestock producers) in such a way as to prevent jeopardizing the unity of the NFU, which was one of the keys to its strength. There were also concerns about the impact of membership on particular sectors of the agricultural economy, notably horticulture.

The concerns of the farmers had a considerable impact on the nature of the first British application for EEC membership in 1961. In its January 1961 White Paper reporting on its talks with the farmers' organizations, Harold Macmillan's Conservative Government pledged that it would seek to achieve membership 'without sacrificing the vital interests of UK farmers and horticulturalists' (Cmnd 1249, 1961: para. 37). In fact, it was difficult to see how membership could be achieved without making some sacrifices in the sphere of agriculture. The CAP was one of the major obstacles to British membership, rather than a reason for it. Applying for membership involved making a strategic political decision that the drawbacks of the CAP were outweighed by the broader economic and political benefits of membership. Britain entered the first set of negotiations especially concerned with three safeguards: a transition period of 12 to 15 years (as against the five eventually achieved), measures to safeguard the standard of living of farmers and special arrangements for horticulture. Even if President de Gaulle had been better disposed to British membership of the EEC, it is difficult to see how these conditions could have been met. For example, there was simply no way that much of British horticulture, as it was then organized, could compete effectively in a wider common market. This was primarily because Britain's climate did not favour the growing of many horticultural crops, although this was eventually offset by the emergence of large-scale growers making sophisticated use of controlled environments in glasshouses.

The second application for British membership of the EEC, submitted by the Labour Prime Minister, Harold Wilson, in 1967, was also unsuccessful, but it adopted a very different approach to that taken in 1961-3, when the British stance had been to a considerable extent shaped by the demands of organized interests like the NFU. With the 'political class' more convinced of the benefits of membership, the matter was treated by Wilson as a political issue of high politics, not subject to pledges to pressure groups.

The farming leadership, and eventually the farmers themselves, became increasingly aware of the benefits of membership. Deficiency payments had worked well for the farmers, but their increasing cost was becoming an issue for government: 'Prior to accession, British

farmers believed that producer prices would increase as a result of the CAP, and given the relatively efficient structure of British agriculture, that they would be well placed to compete' (Fearne, 1997: 37). The leadership of the NFU, which had better forward vision than the leaders of many other organized interests, also recognized that it would not be possible to keep agriculture out of international trade negotiations for ever. This had suited the United States in the 1950s, but the comparative efficiency of American agriculture would ultimately lead to demands for greater liberalization, a demand intensified by the distorting effects of CAP subsidies on world trade. Far better, then, to move inside a trade bloc that would be better placed to resist American demands. Britain 'inside would be afforded protection from the trade pressures being increasingly applied by the big power-blocs outside Europe, notably from the far shores of the Atlantic' (Plumb, 2001: 71–2).

The 1970–4 Conservative Government, led by Edward Heath, started to replace deficiency payments by a 'minimum import price' scheme, which was operated through import levies similar to those used by the EEC. The final negotiations concerning British membership were thus able to overcome what had seemed to be intractable difficulties with relative ease: 'The issue of Britain's relations with the Commonwealth which had seemed so intractable in 1961–63 now broke down into a limited number of relatively technical problems' (Tracy, 1989: 287). New Zealand, for example, was granted a special concession over exports of butter.

The one major modification made to the CAP as a result of British accession to the EEC was a Less Favoured Areas directive, which was viewed as a means of continuing the generous levels of assistance provided to hill farmers. As is so often the case with EEC policies, though, this initiative had unintended and perverse consequences. A report from the European Court of Auditors in 2003 made a number of criticisms of the policy, noting, for example, that the areas designated 'less favoured' had expanded considerably, while Luxembourg still had 75 per cent of its farming area designated in this way despite the changes in farming conditions since 1975.

British farmers did not benefit as much as they had hoped in the years after accession in 1973, because of the manipulation of the 'green currency' system. This had originally been devised as a means of dealing with the shift from a fixed to a floating exchange rate system at the beginning of the 1970s. The Labour Government that entered Office in 1974 was faced by very high rates of domestic inflation (peaking at just over 24 per cent in 1975). Green pound overvaluation had the helpful political effect of holding down the price the consumer paid for her food, as intervention prices paid to farmers were lower than they would otherwise have been, while imports were subsidized through a system of monetary compensation amounts applied at national borders. Farmers' organizations pressed for a series of green pound devaluations, but faced opposition from the trade union movement (Grant, 1981).

The management of dissent

The difficulties faced by Britain's farmers over the green pound were one portent of a decline in their influence compared with the immediate post-war period. This loss of influence had already been evident towards the end of the 1960s, when farmers felt aggrieved about the outcome of a series of price reviews. The NFU's influence depended on its status as a key

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insider group with government, but if it no longer seemed able to control its own members, and thus deliver their assent to any agreement reached with government, that influence could be placed in jeopardy. As the then NFU president recalls: 'It would have been so easy to swing open the floodgates of protest, but I had to consider the end result in the long term, and the effect it would have on future negotiations with the Government' (Plumb, 2001: 64).

Demonstrations by members could, of course, be useful to the NFU leadership as a means of illustrating the strength of feeling of their membership, provided that they could be kept under control. Indeed, this was precisely the strategy that the NFU leadership followed. A distinction was drawn between illegal action which 'would have a negative effect and alienate the public' (such as street demonstrations and traffic disruption of the kind favoured in France) and what was termed 'solidarity' (Plumb, 2001: 64). It was decided to operate a ban on sending livestock to any market, a measure which was highly effective, in the sense that most markets were completely closed as a result.

As the financial situation of farmers deteriorated during the 1970s, however, it became increasingly difficult for the NFU to maintain control of its membership. The 1972 and 1974 miners' strikes, along with other instances of militant industrial action, suggested to some farmers that tactics such as 'flying pickets' could be used to their advantage. A particular problem arose in the livestock sector in 1974, for whilst the old system of guaranteed prices and deficiency payments had been dismantled, the EEC system was not fully operative. The flash-point came with the literal unloading of Irish cattle on the British market, whereupon Welsh farmers massed at Holyhead to prevent the unloading of Irish beef. The demonstrations later spread to Fishguard and Birkenhead, and a 'flying picket' of Midland farmers was reported ready for action. Following clashes between farmers and police, the NFU president called for a suspension of the demonstrations.

The ferocity of these particular demonstrations posed uncomfortable problems for the NFU leadership. On the one hand, they illustrated to the general public the depth and extent of the farmers' fears, leading Sir Henry Plumb to comment that: 'What has been done in Anglesey helps the cause' (*Farmer and Stockbreeder*, 9 November 1974). On the other hand, whilst the demonstrations continued, there was always the risk that the NFU's leadership might lose control of the situation, with consequent damage to their credibility with government. The NFU was placed under 'fearsome stress', for as its own journal remarked: 'The Union's leadership has ... been in a slightly delicate position – unable to advocate anything which could be interpreted as illegal ... but anxious not to discourage spontaneous demonstrations'. Meanwhile, the chairman of the NFU's Welsh Council admitted that: 'In Wales, we have kept the initiative, but only just' (*Farmer and Stockbreeder*, 23 November 1974).

In the 1970s, the NFU was able to maintain a united front. However, the tension between insider strategies and outsider tactics never went away. Indeed, it was to resurface again, with renewed force, at the end of the 20th century, as will be discussed later in this chapter.

The Thatcher era

The significant aspect of 1979–90 Thatcher Governments *vis-à-vis* farming is the lack of impact which they had in terms of advancing a neo-liberal agenda. Whilst Britain was within the CAP, farmers received the subsidies and protection it provided. The Social

Democratic, and Christian Democratic, governments of continental Europe provided continued political support for the CAP, for as far as they were concerned it was the cornerstone of the EEC. When the budgetary cost of the CAP forced reforms, as with the introduction of milk quotas for 1984, they actually provided new benefits for farmers. Milk quotas helped to support prices by limiting output, but they also gave existing farmers a windfall capital gain that made it more difficult for new entrants to start dairy farming. Sales of dairy farms invariably mentioned the associated quota and factored it into the farm price.

Margaret Thatcher had relatively few domestic political instruments at her disposal to influence farming. She deregulated liquid milk prices, but this had the paradoxical effect of strengthening the highly corporatist milk marketing regime. Rather than trying to change the nature of the CAP, Mrs Thatcher's initial strategy was to get 'Britain's money back' by negotiating an adjustment of the situation where Britain contributed considerably to the cost of the CAP, but received relatively few benefits from it. This objective was achieved by the Fontainebleau agreement in 1984, which gave Britain a budget rebate. Thatcher took an active part in the 1988 reform debate that led to the introduction of budgetary stabilizers, probably the least effective reform of the CAP. However, although she tried to present it as a success in her memoirs, she admitted that: 'The CAP was still wasteful and costly' (Thatcher, 1993: 737).

Thatcher's dislike of 'vested interests' did affect her Governments' relationship with the NFU, to the extent that, in 1987, the NFU passed a vote of no-confidence in the Governments' agricultural policy, and called for the resignation of the then Secretary of State for Agriculture, Michael Jopling (he was removed from the government a few months later). Margaret Thatcher was provoked into a typically robust reply, in which she pointed out that her Government was providing £2.5 billion in agriculture and food sector support during the coming financial year. Although two-thirds of this sum was under the CAP, a third came from various national measures. Thus, at a time when subsidies to industries such as coal and steel were being removed, agriculture continued to receive substantial support. Indeed, when Mrs Thatcher considered proposing a reversion to national subsidies for agriculture in 1988, she saw the main disadvantage as being 'that individual countries would have been competing in subsidy and probably our farmers would have lost out in the race to the French and the Germans' (Thatcher, 1993: 732). However, this consideration did not stop her reducing subsidies to manufacturing industry, and it is clear that she envisaged continuing governmental support for agriculture, if the CAP had been abolished.

Nevertheless, in 1989, the NFU president, Sir Simon Gourlay, launched a strong attack on the Thatcher Governments' agricultural policy, accusing a 'hostile' Government of pushing the industry to the brink of recession (*Farmers Weekly*, 8 February 1989). Farmers were particularly annoyed that the pound had been allowed to 'float' downwards, while the green pound rate was maintained because of concerns about the impact on food prices. Rumours subsequently circulated that the government was planning to abolish the Ministry of Agriculture. The Conservative Party had become a far more urban party under Mrs Thatcher (for a disparaging account of this change by a then Conservative MP, see Critchley, 1990: *passim*) and attendance at the Conservative backbench committee on agriculture had fallen. Thatcher felt obliged to appear at that year's Royal Show to reassure farmers that

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they were 'the backbone of society' and that she had no intention of abolishing the Ministry of Agriculture (*Farmers Weekly*, 7 July 1989).

When John Major succeeded Thatcher in November 1990, he judged it necessary to reassure farming supporters of the Conservatives, appearing at the Oxford Farming Conference and becoming the first Prime Minister to address the NFU's annual conference. He also instructed Gillian Shephard, when she became Secretary of State for Agriculture, 'to work to bring the farmers back on side' (Shephard, 2000: 107).

The emergence of new agendas

The politically protected position of agriculture and its policy community – based around the close relationship between the NFU and MAFF, and the shared commitment to the productionist policy paradigm – has been most effectively challenged by the emergence of new agendas. Three such agendas are discussed here: environment and conservation; food safety and quality; international trade. These have brought new actors into the policy process, and generated new ways of thinking about agriculture which have challenged the traditional productionist paradigm. Nevertheless, it must be emphasized that the agricultural policy community has shown considerable resilience in the face of these new challenges. It has resisted some of them, and adapted others for its own purposes, and as such it is possible to observe an interesting interaction between new ideas and established policy interests.

Productionist perspectives had little place for environmental concerns, except as a hobby for wealthy landowners often motivated by sporting priorities. In the name of maximizing production, field boundaries were stripped out, monoculture grew at the expense of mixed farming, and fertilizers and pesticides were applied with little concern about environmental impact. The dominant 'expansionist ideology was so widely held that few voices could be raised against it'. Indeed, 'for much of the post-war period, the environmental effects of intensive agriculture were excluded from the primary decision-making arena – a classic example of non-decision-making' (Garner, 2000: 198).

With the growth of the environmental movement from the 1960s onwards, an alternative perspective emerged and gathered strength. Rachel Carson's best-selling book, *Silent Spring*, published in 1962, drew attention to the damaging consequences of the unrestrained use of pesticides, and: 'By the mid-1970s, considerable evidence about the adverse impact of modern agricultural technology on wildlife habitats had accumulated' (Cox et al., 1990: 35). It quickly became evident that the designation of nature reserves for threatened species did not offer a simple solution.

What was also required were broader changes in the nature of farming. The farming organizations fell back on traditional characterizations of farmers as trustees who acted as stewards of the countryside, and who insisted on voluntary co-operation rather than legislation. Nevertheless, studies by the Nature Conservancy Council and the Countryside Commission, 'established the parameters for a wide-ranging debate, that gathered momentum during the following years, on how the forces intensifying production might be moderated in the interests of conservation' (Cox et al., 1990: 37). Marion Shoard's (1980) book on *The Theft of the Countryside* popularized this debate and attracted extensive media coverage. Long-running disputes, such as that concerning the draining and ploughing of

Halvergate marshes, on the Norfolk broads, attracted further publicity, and provided a locus for direct action by Friends of the Earth.

Nevertheless, the influence of the conservation policy network on agricultural policy remained limited. For example, 'only the [Royal Society for the Protection of Birds] of the conservation network had any input into the Wildlife and Countryside Bill before it was put before Parliament in the early 1980s. Even the state conservation agencies were excluded' (Garner, 2000: 198). An underlying problem was that: 'The policy community for rural conservation is ... large, diverse and pluralistic; that for agriculture ... small, tightly-knit and corporatist' (Cox et al., 1986b: 16). The various conservation and environmental groups – more properly categorized as an issue network than a policy community – had different agendas. One of the longest established and most influential lobbies, the Council for the Protection of Rural England (CPRE), was preoccupied with the aesthetic of the rural landscape, whereas newer and more wide-ranging groups such as Friends of the Earth had a more radical agenda.

However, it is the transformation of the Royal Society for the Protection of Birds (RSPB) into a mass membership organization that is probably the most significant development in the emergence of a countervailing conservationist policy network. By the beginning of the 21st century, it had more than one million members – significantly more than the combined membership of Britain's three main political parties – and in 2003 it was given an award for agenda-setting by the UK Political Studies Association. It was noted for its sophisticated critiques of agricultural policies, proceeding from the argument that declining bird populations were a good indicator of environmental stress. From being perceived as a 'harmless eccentricity' (Newby, 1979: 251), bird-watching had developed into a major leisure occupation. Even more important, the RSPB has emerged as a major definer and articulator of conservationist values and of alternative agricultural policies.

Some legislation was passed as a result of the activities of the conservation lobby, although they regarded it as far from adequate. The measures included the Wildlife and Countryside Act, 1981, the Agriculture Acts of 1986 (which gave MAFF a duty to promote conservation) and 1988, and some parts of the 1990 Environmental Protection Act. Although the 1981 Act was, in many respects, a disappointment for conservationists, Winter argues that: 'It marks a watershed in post-war agri-environmental policies'. The narrowly defined agricultural policy was opened up to outside influences, producing 'a defeat for agricultural exceptionalism' (Winter, 1996: 208).

Further progress was made with the more stringent enforcement of existing regulations. Dairy farming was a major source of water pollution, because more intensive methods of production, including the switch from hay to silage, produces a liquid slurry when concrete floors are washed down, and this can easily pollute rivers and streams. A typical (English) West Country dairy farm with some 50 cows has a pollution potential equivalent to that of a community of around 500 human inhabitants. Through a mixture of exhortation, grants and prosecution, dairy farming practices have been considerably changed (Lowe et al., 1997).

More recently, the debate over genetically modified (GM) crops has linked the environmental and food safety discourses. This debate is a complex one, in which polarized positions have been adopted by the protagonists, but in general it can be said that evidence of human health effects is at best speculative. There are more grounds for concern about the

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environmental effects of such crops. For example, if they reduced insect populations, this would in turn have an effect on the bird population. There is also concern about possible impacts on organic farming. Although the Blair Government states that it wants to have an open public debate over the subject, there is a perception that it favours the commercial use of GM crops. Its main motivation seems to be to prevent a trade dispute with the United States, and also, in part, to foster the development of the biotechnology industry in Britain.

Even before GM crops became an issue, MAFF's response to the bovine spongiform encephalopathy (BSE) crisis of the mid-1990s suggested that 'the department's primary motivation is to support the producers rather than the protestors or consumers' (Garner, 2000: 201). Nevertheless, the link that the BSE crisis revealed between intensive farming practices and threats to human health produced a fundamental challenge to the agricultural policy community. Without the BSE crisis, traditional policy arrangements might have survived for much longer. It had been foreshadowed by the 1988 crisis about salmonella in eggs, which had led to the resignation of Edwina Currie as a junior agriculture Minister, an outcome interpreted at the time as a victory for a producer lobby searching for a scapegoat. However, Smith argues that

the reality is more complex. The *salmonella* crisis was indicative of a general weakening of the position of the farmers partly as a result of long-term changes in the policy community. The farmers failed to keep the *salmonella* in eggs issue off the agenda. (Smith, 1991: 244)

Food policy ceased to be the adjunct of a conventional agricultural policy and became increasingly politicized.

One consequence of the salmonella crisis was the passage of a new Food Safety Act in 1990, which 'enhanced hygiene control in the downstream industry (retail and processing) but ... had little effect on the primary industries because farming was regarded as a food source, and was largely exempt' (Meat and Livestock Commission, 1997: 2). Meanwhile, MAFF was reorganized internally to create a new Food Safety Directorate in 1993.

However, food safety problems were not just the result of inadequate legislation or enforcement, but had a systemic relationship with more intensive and industrialized forms of agriculture. Animals kept in high densities, often among their own faeces, allowed bacteria to be spread more widely. The extensive use of antibiotics to keep animals healthy increased the risk of resistant strains of bacteria entering the human food chain. For example, there has been an increase in food poisoning from a particular type of salmonella that is resistant to five antibiotics. In short, the 'intensification of agriculture, and its exposure to world markets, increased the risk of consumers being exposed to potential hazards' (Meat and Livestock Commission, 1997: 2).

The crisis triggered by the revelation of a link between BSE and a new variant of the invariably fatal Creutzfeldt–Jakob disease (vCJD) dramatized all these concerns. The immediate consequence was that 'British food policy and the role of the state in relation to food has been scrutinised to a level not seen since World War II' (Lang et al., 1996: 1). BSE was initially discovered in 1986, and although the subsequent official inquiry concluded that the origin of the disease will never be known with certainty, it probably originated in the early

1970s, possibly from a cow or other animal that developed the disease as a consequence of gene mutation. However, the reason that BSE turned into an epidemic was the consequence of intensive farming practices, whereby traditional methods of raising cattle on grass were partially displaced by recycling animal protein, making carnivores out of ruminants.

The public was assured, in 1990, by the then Chief Medical Officer of Health that beef was absolutely safe to eat. In what came to be recalled as an unfortunate gimmick, the then Agriculture Secretary, John Gummer, publicly fed his young daughter a beefburger in an attempt to reassure the public. It was only in 1996 that a link was discovered between BSE and vCJD. Why more people were not affected with this disease is not clear, but the people most at risk were those who had eaten poor quality beefburgers containing tissue from BSE-infected brain and spinal cord. It is also probable that there was a genetic predisposition or resistance to the disease. There were 28 deaths in the UK from nvCJD in 2000, 20 in 2001, and 17 in 2002.

The handling of the BSE crisis by MAFF revealed a number of policy failures. According to the subsequent BSE inquiry, the measures taken were not always timely or adequately enforced and implemented. There was sometimes a lack of rigour in considering how policy should be turned into practice, whilst at times, bureaucratic processes resulted in an unacceptable delay in implementing policy. One consequence was that the incoming Labour Government, having commissioned a report on the subject whilst in Opposition, established a new Food Standards Agency that removed a large part of MAFF's work and much of its rationale.

MAFF's problems were then compounded by the serious outbreak of foot-and-mouth disease (FMD) which occurred in the early months of 2002. FMD is not normally a human health problem, but the sight of burning pyres of culled animals provided dramatic media images. Certainly, 'In the early weeks of the crisis, FMD was the lead news story day after day. As the spread of the disease appeared to accelerate, so the competence of MAFF to deal with it increasingly came under question' (Winter, 2003: 49). There was particular criticism of its inability to appreciate the impact of FMD on the wider rural economy, especially tourism, whose losses far outweighed those of agriculture. Following the 2001 general election, MAFF was abolished and replaced by the Department of the Environment, Food and Rural Affairs (DEFRA).

The third driver of change, international trade, operated mainly at the European level where trade policy is conducted, but its impact on the CAP affected domestic agriculture. In the 1980s, a political coalition based around agribusiness developed in the United States that exerted political pressure for agricultural trade liberalization. This was reflected in the Uruguay Round of trade negotiations, which became stalemated on the subject of agriculture. In order to break the stalemate, the then Agriculture Commissioner, Ray MacSharry, introduced, and won support for, a package of CAP reforms in 1992.

These reforms are generally seen as the most significant attempt to change the nature of the CAP, their key feature being the introduction of an element of 'decoupling' into agricultural subsidies, although confined to arable products. Decoupling in this context means that farmers no longer have to produce a food product to be sold, in order to claim their subsidy. Instead, in the case of arable farming, aid was paid on a per hectare basis. In the 2003 reforms, this was extended to partial decoupling in the livestock sector. In the long

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run, the fact that farmers do not have to produce to claim their subsidy (although they still have to farm the land) could lead to the questioning of the need for subsidies at all. It could result in subsidies being phased out and being replaced by some kind of agricultural bond, a capital asset that farmers could use for investment or to generate an income.

The policy community disintegrates

Two events in the opening years of the 21st century have suggested that the hitherto tightly-knit agricultural policy community was starting to disintegrate, although, as we have already noted, there had been signs for some time that agriculture was becoming less 'exceptional' (Grant, 1995b). The special state-sponsored arrangements for providing credit to farmers were dismantled. The Agriculture Mortgage Corporation had been established by legislation in 1928, but in 1991 it was removed from its statutory framework and in 1993 it was acquired by the then Lloyds Bank. Funding for the Agricultural Training Board was reduced, whilst specialist agricultural educational institutions were either closed, or merged into more broadly-based institutions of further and higher education. Particular controversy was aroused by proposals to transfer agricultural education at the Seal Hayne campus of the University of Plymouth, to the main campus, ending the tradition of what had once been an independent agricultural college. The provision of free technical advice to farmers through ADAS (the Agricultural Development Advisory Service) was replaced by a system of charges in 1986. The Agriculture and Food Research Council was subsumed within a new Biotechnology and Biological Sciences Research Council. The milk marketing boards were abolished. Specialist television and radio programmes for farmers were increasingly displaced by programmes with a 'countryside' theme – such as the BBC's Sunday lunchtime *Countryfile* – which were often more critical of farming practices.

However, until its abolition, MAFF, and the NFU, continued to form the core of the agricultural policy community. As long as MAFF survived, farmers retained a privilege granted to no other industry, a Whitehall ministry focused on their special problems. The replacement of MAFF by DEFRA is, therefore, potentially a very significant development. At around the same time, new breakaway groups have posed an increasing challenge to the hitherto hegemony of the NFU.

Nevertheless, one has to be aware of the limits of this process. The NFU is still a very influential pressure group, as was evident during the FMD dispute. As long as the CAP remains largely unreformed, farmers will continue to receive substantial financial support. Leaders of farming groups have proved themselves adept at developing new justifications for the continuation of agricultural support. As well as using the perceived terrorist threat after September 2001 to revive discourses about food security, the language of 'multi-functionality' has been used to provide a new set of justifications for the continuation of agricultural support. The argument is that farmers produce public goods, such as maintaining heritage landscapes and preventing land abandonment that can undermine bio-diversity as scrub replaces supportive habitats. According to this perspective, they should therefore be financially rewarded for public good provision, a term that is interpreted in a rather elastic fashion.

Meanwhile, DEFRA has proved something of a disappointment for, as Greer notes, 'to the frustration of government, DEFRA has not yet shed some of the problems inherited

from MAFF' (Greer, 2003: 535). Not surprisingly, farming organizations complained that the new department had not given a sufficiently high priority to agriculture, that the economic sustainability of agriculture had not been given enough weight compared to sustainable development, and that the agriculture portfolio in DEFRA had been given to a junior minister. It was often said in farming circles that the department's initials stood for the 'Department for the Elimination of Farming and Rural Activity'. The new department was not supposed to replicate the clientilistic orientation of MAFF towards farmers. However, there have been more serious doubts about its capacity to manage change. Following complaints from the House of Commons environment, food and rural affairs select committee about the ability of DEFRA management to oversee change, it was announced that all senior mainstream civil servants in the department would undergo a 'leadership review'. They would be graded on their leadership ability and willingness to manage change, and early retirement was expected to follow for a number of senior managers.

The organizational design of DEFRA in any case reveals deeper flaws, for as Winter observes:

... the formation of DEFRA, while clearly a more radical step than the incremental shifts that might have occurred in the absence of FMD, retains a rather narrow focus on agriculture. DEFRA's broader remit, in terms of both its environmental focus and rural development ... remains largely rooted in the land-based sector. Rural development is equated with diversifying agriculture rather than with any sense of a highly diverse rural economy and society in which farming per se is no longer the economic linchpin. (Winter, 2003: 51)

DEFRA's policy strategy has been based around the report of the Curry Commission, which was established to examine the future of food and farming. Considerable emphasis is placed on the efficiencies to be achieved in a 'joined-up' supply chain. A new Food Chain Centre has been established. There is a considerable emphasis on competitiveness and efficiency, and on bringing farmers closer to the consumer and the market. Such efforts, however, come up against the reality of a food supply chain dominated by a small number of retailers, where there is already 'a clear asymmetric monopoly in the UK market' (Clarke et al., 2002: 152), and where further consolidation and concentration seems likely. One of the most significant changes in the position of farmers, therefore, has been the way in which power has seeped down the supply chain to retailers.

One of the traditional strengths of the NFU has been its ability to maintain a united front. Whereas in other countries, farmers have been divided between different commodity groups, or between large and smaller farmers, the dominance of the NFU in Britain was not really threatened by the formation of a Tenant Farmers' Association or by the existence of a breakaway union in Wales. However, it has faced an increasing challenge from a group pursuing an 'outsider' strategy, Farmers for Action (FFA), a body formed at a meeting at a motorway service station in March 2000. The farmers present were annoyed at being excluded from the Downing Street summit on agriculture, claiming that they would be poorly represented by the main farming unions. Some of FFA's leaders were prominent in the fuel price protests in 2000.

At the other end of the spectrum, support emerged in 2002 for a breakaway organization to represent arable farmers. This was something of a paradox, given that affluent

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arable farmers have always been well represented in the NFU leadership, as they are best able to spare the time for NFU activities. Nevertheless, arable farmers had become discontented, because they felt that the FMD crisis had led to some neglect of very low prices experienced by arable farmers. The advocates of a breakaway organization had been directly influenced by the more commodity-based structure of farm representation in the United States, and a perception that single-issue groups outside farming are becoming more successful. There was also a subtext about arable farmers being better able to adapt to a life without subsidies, but not wanting environmentally-linked subsidies that might be more acceptable to arable farmers. With prices staging something of a recovery, not least because of currency movements, no more was heard of the breakaway organization, but it was a warning to the NFU leadership about the level of discontent among its core support.

Meanwhile, the FFA's blockades of milk depots and retailers appeared to be having some success, particularly in preventing reductions in milk prices. The FFA emphasized that it was not seeking to destroy the NFU, but to reform it. There was some support for such a stance among the NFU's members who thought that the organization, with its system of indirect election of the leadership, was insufficiently internally democratic. In June 2003 the chair of the NFU's milk committee sought a meeting with the FFA to seek common ground. It is not clear whether the NFU leadership had approved this move, but becoming too closely associated with an outsider group might damage the NFU's credibility with government. Even so, in July 2004 the FFA and the NFU joined together with four other organizations in what was described as a loose alliance to support dairy farming.

As the farming industry has shrunk, so the NFU has seen its farming membership decline from 100,000 to around 67,000. The NFU carried out an internal review to see if it was offering members value for money. Other leading rural organizations have also encountered financial difficulties, with the CLA, for example, faced with financial difficulties, making 10–15 of its 98 staff redundant in 2003, and reported to be considering leaving its London headquarters. Both moves would undermine its effectiveness as an insider group.

Conclusion

For most of the period since 1945, discussion about British agriculture policy was dominated by a largely unchallenged productionist paradigm. Discussion of agricultural policy formation largely took place between MAFF and the NFU, with the latter then playing a major role implementing the agreed policy. Parliament was a relatively marginal player in the agricultural policy process. Continuity was further encouraged by a lack of understanding, by other policy actors, of the technicalities of agricultural policy. The high political entry price any outsider had to pay to enter the debate was reinforced by the complexities of the CAP.

However, during the last two decades, a great deal has changed, both institutionally and in terms of the dominant discourses. MAFF has been replaced by DEFRA. The NFU's grip on farmer representation has been weakened. New discourses about conservation and the environment, food safety and quality, and trade liberalization have reshaped the policy debate, although the last discourse is often at odds with the first two, as is illustrated by

the case of GM crops. Margaret Beckett, the first Secretary of State at DEFRA, declared that she would like to see all subsidies eventually phased out. She has also declared that 'Farming is a major polluter' (*Farmers Weekly*, 4 October 2002). Such statements from a Minister responsible for agriculture would previously have been unthinkable.

However, there are also limits to the changes that have occurred. This is evident in the mindset of many farmers and their representatives. A *Farmers Weekly* editorial praised Mrs Beckett for a stance she took in the farm council in Brussels for putting up a fight 'for those she represents' (*Farmers Weekly*, 31 January 2003). Environmental regulations have proliferated, but the annual cost of agriculture to the environment in 2003 was still estimated by the Environment Agency at about £1.4 billion a year. New Labour's policy seems to lack 'a recognition of the social dimension to the food supply chain' (Barling and Lang, 2003: 14), particularly in terms of food policy and its link to social exclusion.

Above all, farmers continue to be more heavily subsidized and protected than any other group in society. OECD figures suggest that the average EU farmer is paid 36 per cent of his or her income from subsidies or protection. The actual sums received vary considerably from farmer to farmer, but there are a number of farmers in Britain who receive over one million euros a year in subsidies. In an era in which neo-liberalism has supposedly triumphed elsewhere in the economy, if not in social policy too, agriculture remains a conspicuous exception.