Centre for Agricultural Strategy

Agricultural and food research – who benefits?

Edited by T E Wise

CAS Paper 23 May 1991

Wise, T E (Ed) (1991) *Agricultural and Food Research – who benefits?* CAS Paper 23. Reading: Centre for Agricultural Strategy.

Concluding remarks

Sir Simon Gourlay

Professor Lewis said that agriculture over the last decade has been a success story and he mentioned particularly productivity. Clearly on those grounds it has been a success story, no doubt because of the very considerable input of research over a very long period. But I suppose the farmer himself is somewhat puzzled about the measure of that success, because we clearly have a considerable problem in getting economic returns. The farmer has not had all the benefit by a very long way. I was looking at some figures the other day. Bread-making wheat at the beginning of this last decade and wheat today is virtually the same price. The national loaf at the beginning of the decade was 37p and today is 50p. Thanks to our productivity record, and somewhat lower profits, we are still producing wheat at the same price as we did at the beginning of the century, but clearly there is some slippage when it comes to translating that benefit on the farm into what the consumer pays for his or her food.

I should just like to look for a few seconds at those imponderables which Professor Lewis mentioned – GATT, agrochemicals, EC Nitrates and Pesticides Policy, and global warming, and the part that research may play.

As far as GATT is concerned that is essentially a policy matter governing world trade. I hope there will be a settlement and I hope that it will be very quickly and speedily concluded, because we would like to know the framework within which we shall be operating, and I think that that would help researchers as well.

As far as agrochemicals are concerned there are quite obviously pulls in different directions. I know that there is scepticism by some – Sir Derek Barber (Chairman of the Countryside Commission) was mentioned. In the paper he gave when he received the Massey-Ferguson award he talked of the great intensification in farming on most of the land area, with some

small areas of wilderness as a sort of environmental sop. I think Professor David Harvey is pointing in the same direction and is dismissive of lower-input farming. But I am not sure that it is right to be so dismissive of lower-input farming. I heard what David Harvey said just now about idle land – the land resource that may be spared, but quite clearly at the moment there is an imbalance between what we are producing and what there is a market for, and that actually is a waste of resources. There needs to be a withdrawal of resources, and the two mentioned by David Harvey were capital and labour. Well, labour is disappearing very quickly and capital will disappear as land values come down. They should come down on the basis of return from agriculture very much more quickly in this country than they are coming down. They do not respond according to the fortunes of agriculture in this country in the way that they do, say, in Australia or New Zealand. But there are other resources that can be withdrawn, such as land, and it seems to me that there is a strong public perception that lower-input farming may be a good thing.

I heard what was said just now about organic farming, which is perhaps the ultimate in low-input farming. Professor Lewis was fairly dismissive of it, saying it will be 10-12% of the market at the most by the end of the century. In think that is probably right although I must question, notwithstanding Alastair Grant's great commitment to organic food, as Chairman and Chief Executive of the Argyll Group, whether the supermarkets are the natural way of getting organic produce from the point of production to the consumer. It seems to me that the products sit uneasily, as Marks & Spencer found, side by side with the glossy apples which are the product that most people want. In fact I remember at a conference a short while ago when we were talking about this perception of quality, one person got up and said that his son would not eat peas that were not all the same size. He thought that there was something intrinsically wrong if there was a variation in the size of the peas on his plate. Well if you are going to grow organic food you are going to get a bit of variation in the size and possibly in the colour as well, although you may get a bit more flavour.

Certainly in the less-favoured areas the environmentalists would welcome lower-input farming. If we have spare resources, which we have at the moment, why should we not turn in that direction? So I believe that there is clearly going to be an important element here. Looking ahead, as a practical farmer, it strikes me that the fossil fuels that are mostly used to produce nitrogen, mainly nitrate, are going to get more expensive. I've actually planted an acreage of very high clover content ley and I want to see whether I can manage that to fix nitrogen and get a reasonable level of output on my farm under my conditions. Research in other areas would indicate that it is possible to get not quite the same but a very acceptable level of output from that source. So that is a form of lower-input farming which would seem to make sense.

When you look at this interface between food production and environmental factors, the EC Nitrates and Pesticides Policy is likely to have bearing

on what we will do. It will not be anything to do with the optimum use of resources in an economic return sense, but what is perceived to be good or not good from an environmental and public health aspect, eg nitrates or pesticides in water. Looking at that interface – the food production, the environment and looking on beyond that into industrial feedstock – the use of agricultural product biomass – we were shown the picture of the harvesting of willows at Long Ashton. That is another use for spare land resource which I think is likely, again by the end of this decade, to become something which will be more prominent and more within target range in economic terms.

It is in those areas that I hope we are going to see a lot of research done, because I think it is going to be very important for us agriculturalists. As we move towards the end of the decade, it may be, if demographic censuses mean anything at all, that there will be a huge upsurge in the demand for food. If GATT is settled and world trade is liberated it may be that there will actually be a big market for food in that world, because people will have more resources in the developing countries to buy food. That may be wishful thinking. But there is obviously room for a big upsurge in food in which case we may have to re-assess our priorities again. It may seem better, rather than have a deficit of food, to look again at the standards of nitrates or other inputs in water or the environment or the soil, and the balance there between benefit and disbenefit for the consumer.

I suppose it begs a question – have we got the most appropriate methods of assessment and evaluation of the wider benefit of research in these areas and is it suited for us in this coming decade. And whilst we have the Chairman of one of the agricultural sector research groups here – John Rymer – I think we also have to examine whether we have got the optimum basis for regulation of R&D in this changed scenario, but I don't suppose that these are questions which will be fully resolved today.