



*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

*No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.*



Centre for Agricultural Strategy

# Agricultural policy and the environment

Edited by F A Miller

STP  
S217  
.A47x  
1991

CAS Paper 24      September 1991

## A summary of discussions during the conference

L J Rew

### INTRODUCTION

The aim of this summary is to bring together the main points that were addressed during the discussion periods following each paper presentation and the general discussion at the end of the day.

There was general agreement, and reiteration, from the speakers and audience of the importance of integrating agriculture and the environment. To achieve this the methods of farming and funding to farmers must change. Numerous different approaches were put forward to achieve this goal.

The Agriculture and Town and Country Planning Acts were first enacted in 1947. The Agriculture Act has been modified by successive governments to direct farming development. This approach differs from all other sectors of industry where a framework, rather than specific targets, has been provided. Mr Brian Hilton (Ministry of Agriculture, Fisheries and Food) suggested this would be the approach taken towards farming in the future. He stressed the importance of maintaining Britain's efficient farmers whilst also encouraging a more environmental approach. The audience recognised that farmers are going through a difficult time, in addition to the financial squeeze, enforced on farmers by quotas and a recession, tighter environmental legislation (eg Control of Substances Hazardous to Health (COSHH) and the Water Act) will lead to a further reduction in the number of farmers, regardless of the approach taken towards integrating agriculture and the environment.

The need for diversification of agriculture and land use in rural areas was generally supported but a specific way forward was unknown.

## **CURRENT GOVERNMENT SCHEMES AIMED TO INTEGRATE AGRICULTURE AND THE ENVIRONMENT**

The Government has several policies which encourage more 'environmentally friendly' methods of farming whilst supporting the farming system. These include schemes for farming in Environmentally Sensitive Areas (ESAs), Nitrogen Sensitive Areas (NSAs) and Hill and Livestock Compensatory Allowance (HLCAs) for which specific areas have been targeted. The Farm Woodland Scheme (FWS) and Set-aside Scheme (SA) are available countrywide.

The Government was rebuked for the gap between rhetoric and reality on matters concerning the integration of agriculture and the environment. The current schemes were criticised for being limited and piecemeal. Consequently, the need for a national strategy was stressed.

## **WHO WILL BENEFIT FROM THE SURPLUS AGRICULTURAL LAND?**

The public at large are thought to support a switch from agricultural production of food, to recreation, amenity and conservation of the landscape with farmers remaining as custodians of the land. Some bodies have suggested that by the year 2000 there will be more than 1 million hectares of surplus agricultural land. The general public is perceived to like the current patchwork landscape of fields, woodlands and villages and would not favour agricultural land being left to form scrub. Some of the surplus land would be used for housing and light industry, other areas would be used for leisure purposes.

It is well documented that environmental concern in the broadest terms is socially skewed towards the wealthier and more educated sectors of society. Although this point should not be central whilst developing a strategy for integrating agriculture and the environment, provisions to increase amenity land, such as woodland, close to urban areas should be provided. The increased proximity of accessible countryside would benefit those who could not formerly enjoy it.

## **ALTERNATIVE STRATEGIES FOR INTEGRATING AGRICULTURE AND THE ENVIRONMENT**

To achieve the desired integration between agriculture and the environment, farming practices and the economic support will have to change. Various approaches that could be taken are discussed below.

### **Current Government policies**

The ESA and NSA schemes have been successful in the areas targeted and are seen to support the farming system. These schemes, especially ESAs, could be extended to all of the UK or the target area extended. Support for the

FWS, which is currently under review, has been high in terms of applications and acceptances, but the area under the scheme remains low. Participation in the scheme has mainly been in the uplands of Wales and Scotland as it is not economically viable in the lowlands. However, if the scheme was to encompass access and amenity for the general public, in return for greater Government subsidy, it could become an economic proposition in the lowlands. The Countryside Commission (CC) has launched two major projects which aim to cover 10 000 ha of lowland Britain in woodland by the middle of the next century. One such woodland will be the New Midland Forest which will be an open forest, providing a wide variety of habitats and access for the public.

### **Countryside stewardship**

A national scheme of 'countryside stewardship' was commended in which the Government would use a discretionary approach in the purchase of the 'best resources' from land owners. This method would require local flexibility and Government spending. The CC is currently carrying out a scheme such as this, on a small scale, funded by the Department of the Environment (DOE).

### **Environment scheme**

The 'green/environmental scheme', put forward by Mr Brian Hilton would have a variety of approaches, but one main menu approach. Farmers would be forced into the market place, looking for ways of using and marketing their resources, not always looking to the government for funding. The scheme would be available to farmers with resources to sell. Resources could be in the form of a direct product such as water or land, or an environment such as a species-rich meadow, woodland or leisure park which could be marketed as an amenity service.

### **Low-input, organic and alternative agriculture**

Low-input and organic farming would help to reduce the excesses that are currently the norm, not only in terms of yield but also agrochemicals, thus reducing the possibility of pollution and environmental degradation. Through technological advances we can now breed-in nitrogen fixation and fungal and insect resistance and these advances could be utilised.

Energy crops such as coppiced woodland, alternative crops such as linseed (*Linum usitatissimum*) and peppermint (*Mentha piperata*) or, in the presence of the greenhouse effect, more tropical crops such as buckwheat (*Fagopyrum esculentum*), gold of pleasure (*Camelina sativa*), durum wheat (*Triticum turgicolum varidurum*), soyabean (*Glycine max*) and lima bean (*Phaseolus lunatus*) could be grown to increase farm diversification and revenue.

### **Enhancement**

Local conservation groups have, and continue to 'enhance' many areas of Britain. Increased availability of agricultural land around urban centres could be purchased and maintained by these groups for amenity areas. These could be in the form of woodlands with open spaces or glades, providing access to the countryside for a larger sector of the public.

Country sports have also enhanced and maintained the countryside. In some areas and for particular periods, the general public have been excluded for the benefit of the game. Although this practice has been contentious, as a delegate from Norway pointed out, public access is not always desirable or beneficial to the wildlife.

### **HOW WILL THESE CHANGES BE FINANCED?**

#### **Extension of current schemes**

The Government's pilot grant schemes (ESAs, NSAs etc) have been a success. The possibility of extending the area eligible for these grants or increasing the countryside scheme was discussed. Finance rather than policy was seen to be the limiting factor.

#### **Price support versus market force**

Numerous directives come from Brussels but the need for more environmental policies which can then be taken up by the Member States was stressed. Adoption of the policies varies widely between Member States and this will continue without greater commitment from Brussels.

The Organisation for Economic Co-operation and Development (OECD) and the UK government are in favour of reducing the incentive currently given to farmers to produce higher yields and move to a more market-led industry. The UK feels that the Common Agricultural Policy (CAP) should move into the market place with the 'green/environmental scheme', which would reduce the financial burden on the EEC. The reduction in quotas would then allow each Member State to set up its equivalent of ESAs, for example tackling soil erosion in Spain and manure levels in the Netherlands. the Commission's role would be to ensure that the benefit to each member country was equal.

The argument against the elimination or reduction of price supports is that farmers will work more intensively to maintain the same standard of living. The Set-aside Scheme, although not enforced on farmers, has failed to reduce cereal production because many farmers have taken their least productive land out of production and redressed the balance on the remaining land. Furthermore, if change was to be led solely by market forces, it is likely that the country would be divided into areas of intensive crop production and others of higher environmental value. This could only be avoided if the country was divided into different areas all with similar targets for integrating agriculture and the environment.

### **Resource costing**

Environmental resources and benefits can now be quantified but there is still no viable method for costing these resources in the market place. It was argued that a costing technique could not be developed without knowing the resources and competitive ability of other EEC Member States. Professor Newby (Economic and Social Research Council) pointed out that farming makes up only a small proportion of the rural economy. The Government could set up an environmental strategy and framework that led farmers and entrepreneurs to follow the changes required, whilst negotiating CAP and GATT (General Agreement on Tariffs and Trade).

If resources were costed, landowners would be given a larger responsibility for pollution. Some types of pollution could be paid for at source whilst others would have to be monitored and taxed as appropriate.

The general public will also have to pay for increased environmental quality. At present concern for the environment is high, as it was in the 1960s, and people are willing to pay more for it as a commodity than during other periods. Therefore, the fact that this value is elastic must be accounted for to ensure that revenue can be maintained.

### **CONCLUSION**

The UK Government, together with other member states, GATT and OECD, must work together to form a more global and international framework and strategy for the integration of agriculture and the environment.

In the UK numerous interested parties will have to learn to work together towards the same aim and not antagonistically as at present. Therefore all future developments whether for farming, business or leisure should be subject to some form of environmental assessment, otherwise market forces could ruin the countryside.