The 20th Annual Campden Day Lecture

'Food and the Public Interest'

Mr Christopher Haskins, Chairman, Northern Foods

Christopher Haskins has a distinguished reputation as a leading food producer; as an effective contributor to public life; and as a consistent champion of progressive causes.

The son of a farmer, he was raised in County Wicklow and maintains a direct interest in primary production through a family managed 800 acre farm where he lives. After graduating, in history, from Trinity College, Dublin, he joined the Ford Motor Company, before moving to Northern Foods plc in 1962. He was subsequently appointed Deputy Chairman and then Chairman in 1973 and 1986 respectively.

Under his leadership the company has enjoyed remarkable success within competitive markets. With sales of almost £2 billion and over 24,000 employees, Northern Foods plc is both the largest supplier of prepared foods to the UK retail market and the country's leading dairy company. At the end of March 1998 the milk business was demerged into a new plc company called Express Dairies.

He has made and continues to make a very significant contribution to public life, serving as a member of the Irish Government's Industrial Policy Review Group; the Independent Commission on Social Justice; William Waldegrave's CAP Reform Group; and the Hampel Committee on Corporate Governance. He remains a trustee of the Runnymede Trust; of the independent think-tank DEMOS, and of the National Civil Liberties Trust.

He is a member of the CBI's President's Committee; the Government's New Deal Advisory Task Force and its Round Table on Sustainable Development. In September 1997 he was asked to chair the Government's Better Regulation Task Force. This body has already set out the Principles of Good Regulation against which it plans to judge the quality of future government regulations.

On 20 June Christopher Haskins was named in the new list of working peers.

This unique blend of experiences ably equips him to consider food and the public interest, which is the subject of the Campden Day Lecture.

Campden Lecture Wednesday 3rd June 1998

FOOD AND THE PUBLIC INTEREST

Christopher Haskins Chairman, Northern Foods plc

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Introduction:

The food business is different from any other, because we're all in it, whether we grow the stuff, eat it, complain about it, overthrow governments because of it, are addicted to it, over-indulge in it, are short of it, moralise about it, or crack-up about it. Food is probably the main conversation piece for mankind.

Having been connected with farming all my life, through a grandfather, a father, a wife, and now two sons, and having worked in the food industry for 36 years I suppose I know a thing or two about food. I am of course indebted to food for giving me and my family a very comfortable livelihood.

In the next few minutes I would like to bring to your attention the many ways food has always been such an influence over human behaviour. I want to develop seven themes:

- Food and Survival
- Food and Politics
- Food and Social Change
- Food and Technology
- Food and Ethics
- Food and Neurosis
- Food and Pleasure

(I) Food and Survival:

An ample supply of safe, affordable food is the most important prerequisite to human survival. For the greater part of history the vast majority of human beings have not felt secure about their food supply, and even today tens of millions of people, in rich as well as in poor countries, are denied this basic human right. Resolving this problem remains a prior objective for the world's scientists, farmers and politicians.

Two hundred years ago, Malthus argued that 'population growth would exceed food supply', and I can remember as recently as thirty years ago hearing that great food visionary - Lord John Boyd Orr (who was President of Northern Foods) - prophesying dire outcomes in this respect.

After all, as recently as fifty years ago, a part of the British Empire - India - suffered millions of deaths through famine. My own grandfather was born in the West of Ireland just after the greatest famine which Western Europe has ever experienced - the potato harvest failures of the 1840's which killed probably a million Irish people, and led to a traumatic mass migration of millions of others who risked their futures in North America, Britain and Australia.

But despite the global population explosion, there is proportionally less starvation in the world now than at any time in history. Malthus and Boyd Orr, so far, have been wrong.

And for this we must thank the extraordinary engineering and scientific developments which have revolutionised the production and distribution of food, particularly over the past century and a half:-

- The Engineers who developed the railways and the refrigerated boats which allowed food to be moved quickly and safely from the distant prairies of America to the teeming industrial cities of Britain.
- The Louis Pasteurs who developed techniques for combating dangerous microbes in food.

- The Plant Breeders who developed healthier, more productive crops which could stand up to climatic extremes.
- The Chemists who complemented the work of the plant breeders in increasing yields by controlling disease through the use of fungicides, pesticides and herbicides.
- The Animal Breeders who increased outputs of meat and milk.
- The Medical Scientists who successfully tackled chronic animal diseases.
- The Engineers who replaced the horse with massive "one-pass" power-driven agricultural machinery which enables farmers to overcome the vagaries of climate through speed of action.

All of which has allowed the world to produce sufficient food to meet the needs of a rapidly expanding population.

Today, food shortages largely arise from failures of distribution rather than production, and these failures in turn arise from political and economic rather than scientific or engineering inadequacy.

However, with the world's populations set to continue to expand dramatically, now mainly because of increased life expectancy rather than fertility, there are different perspectives about the future.

- The chemists, the botanists, the geneticists and the engineers would be confident that there is ample scope to further improve agricultural productivity.
- But some meteorologists worry that natural forces could dramatically change the world's climate, with dire effects on much agricultural activity.
- And many would argue that there is an unacceptable environmental price to pay for scientific progress.

Somehow, governments must find ways of monitoring scientific progress in such a way as to increase food production, whilst at the same time answering understandable concerns about environmental and health risks.

This **can** be achieved, if the scientists behave responsibly, if governments are open about the problem, if the public is given the information necessary for them to make their own judgements, and if everybody takes a balanced and proportionate approach to the issues. On all fronts, however, there is a lot to be done.

(II) Food and Politics:

Until the Irish famine, the dogma of laissez-faire liberal capitalism meant that governments only intervened in the food chain in order to raise taxes - remember the infamous salt tax.

The obduracy of the British Chief Secretary for Ireland, Trevelyan, who refused to halt the export of corn from Ireland at the height of the famine, was the last outrageous example of unregulated laissez-fair capitalism in Britain. A few years later governments started to intervene to protect citizens from market failure - promoted especially by the enlightened Tory Lord Shaftesbury, with his bills to limit the exploitation of children.

The British Government's answer in 1845 to the growing problem of feeding an overpopulated, industrial country, was to abandon protectionist tariff barriers with the repeal of the Corn Laws, and to adopt the free trade principles of the Manchester Liberals. Soon, cheap food, produced in the empty spaces of North and South America and the Antipodes, became available to the poor of Britain. Simultaneously, without the protection of tariff barriers, domestic agriculture went into a century of steady relative decline. After the 1832 Great Reform Bill, there were more votes in Birmingham than there were in Herefordshire, and progressive Electoral Reforms inexorably reduced the power and privilege of landowners, in favour of the urban voters.

However, this apparently sound economic strategy led to a crisis in the middle of the First World War when, for a time, the German Navy threatened to cut off the supply of food to Britain from overseas. Even the King went onto rations - limiting his breakfast intake to one British boiled egg, domestic food production being directly stimulated by government intervention.

After the First World War, Britain returned to a free trade policy for food. Domestic agricultural output slumped once more and imports soared again during the 1920's and 30's.

Hitler changed all that. By jeopardising the food supply of Britain and the various nations he conquered, he ensured a radical post-war review of food policies in Europe. Politicians determined that never again would food shortages and starvation be a threat.

In Britain, the Government introduced a policy of guaranteed prices for farmers, aimed at boosting domestic production and increasing self-sufficiency. In Europe, the first manifestation of a European Union came in the shape of the Common Agricultural Policy which, through market support and protectionist barriers, boosted food production, at a cost to both taxpayers and consumers, and sought to preserve a viable rural economy despite the irreversible migratory trends away from the countryside. Forty years on, the C.A.P. has run its course. The economic and political need for guaranteed, subsidised food supplies has disappeared as a European war has become inconceivable, and as scientific progress has dramatically raised outputs. The social objectives behind the C.A.P. are less relevant, partly because they have been pretty unsuccessful. The proportion of the population getting a living out of agriculture is now quite small.

Today, the nations of the world, recognising their interdependence and the economic and political benefits of trade, are seeking to reduce barriers to trade between each other. For the first time since G.A.T.T. was set up in 1948, an attempt has been made to reduce food tariffs across the world. The "McSharry" C.A.P. Reform of 1991, and the "Sutherland" G.A.T.T. Settlement of 1992 were both significant steps towards a global free trade market in food.

The next World Trade Organisation talks starting in 1999 will take the process further. The dumping of subsidised surpluses on world markets will need to be stopped, which necessitates the further reform of the C.A.P. from a policy of general indirect market support to one of direct social and environmental payments to those in need. But, for some time to come, the poorer countries of the world, lacking sufficient foreign exchange, must be permitted to underwrite domestic food production for the supply of their markets.

The European Common Agricultural Policy will be further undermined by the process of Enlargement. Without reform, the cost of the C.A.P. will soar, as Poland in particular joins the Union. Enlargement, however, will probably proceed less quickly than planned - starting in about 2005.

It is possible to envisage that, by the middle of the next century, the world's food will be produced in the temperate climates, which happen also to be where the rich people currently reside. But this would depend upon the poorer countries, with dry climates and large populations, having unrestricted access to the richer markets for their labourintensive, low-tech consumer goods. This would then provide them with the foreign exchange needed to import food. In return, the rich will supply the poor with high tech products..... and good food!

(III) Food and Social Change:

Fifty years ago, practically all food was consumed in the home. Most meals were prepared and cooked in the domestic kitchen, largely by non wage earning women, and eaten by families in fairly formal circumstances. Dining rooms meant something in those days.

For over a century, most "convenience" food came in a shelf-stable, sterilised can, though the breakfast-cereal innovation was already impacting the North American and British markets by 1900.

Fresh food was **bought** locally, and women would expect to shop several times a week, visiting a range of different specialist shops for the purpose - the grocer, the baker, the butcher, the fruit and veg stall, and so on. (With limited domestic storage, and no refrigeration, it was necessary to shop frequently). Shopping was also a social experience where people made their most frequent contacts with their neighbours.

Most fresh food was also **produced** locally, especially before the arrival of the train. Until then, dairy cows could still be found in the city of London, providing a supply of fresh milk for the 19th century yuppies and fat cats of the Square Mile. Through the train, however, it became possible to move a perishable product like milk, considerable distances, from the West Country to London, in large quantities.

The train, and developments in refrigeration, also gave the farmers of North America, Australia and Argentina access to the lucrative markets of Western Europe. A century ago Argentina and New Zealand were two of the richest countries in the world, as a result.

When I first came into the food business, in the sixties, Lyons still had a bakery in Knightsbridge, and Walls a pig factory in West London.

Today, all has changed. Thanks to the technology of chilled distribution and the motorways, food can be manufactured in any part of Britain one day and be in the homes of up to 100 million the next. Chilled food is made by Northern Foods in Sheffield, Oldham, Carlisle and Nottingham today, and on display in Cologne and Paris tomorrow. Unilever's ice-cream factory in Gloucester can supply the markets of Palermo and Helsinki, as can my own company's frozen pizza factory from County Kildare.

Food is now bought through huge multi-purpose supermarkets (increasingly embracing a wide range of non-food merchandise) which are national chains. It is quite feasible to shop once-a-week because of more and better refrigerated and frozen storage in shops and homes, and to buy all your food in one place. Busy households, in which everybody has a paid job, albeit with unsociable flexible hours, mean that there is no time for frequent shopping.

Supermarket shopping, once-a-week, done at great speed and in high tension, is an antisocial activity and a far cry from the high "social" element in frequent, multi-shop, customer-service neighbourhood shopping of a generation ago.

Today's shoppers seek very different bargains compared with their mothers. They are less and less inclined to prepare meals at home, because households have shrunk, and

they're too busy. Even when they do buy vegetables, they now want them washed and trimmed. But more and more they want prepared convenience food, either ready to eat [like a trifle or a sandwich], or reheatable, at short notice, like a lasagne or a cottage pie. The range of options available to a shopper in a modern British supermarket is quite remarkable.

There is little doubt that the modern supermarket is of considerable public economic benefit. It offers an enormous range of high quality, good value, and innovative, convenient food to the vast majority of contented shoppers and consumers. But the criticisms must be taken seriously:

- Local shopping has been decimated.
- Choice is restricted to those with a motor car who, if dissatisfied, can drive a further distance to the next supermarket though they seldom do.
- Environmentalists dislike the public's over-reliance on motor car shopping they see the car as a major environmental threat.
- The very poor, lacking private transport, find it hard to access supermarkets and are reliant on the declining small shop with a limited range of expensive, not very good quality products.
- Rural economics are particularly affected by the price discrepancy between urban supermarkets and village shops, and the excessive cost in driving to shop.
- Powerful retailers are claimed to have excessive influence over consumer and supplier rights and needs.

Despite these concerns, I would, perhaps predictably, argue that most people are content with the service offered by the big supermarket chains, who are increasingly responding to the concerns of the various pressure groups.

But it does seem to me that despite the protests of the well-heeled pressure groups, it is the affluent shopper who gets the best deal and the poor, often elderly one, without access to transport, who gets the worst deal in terms of quality, choice and value.

The health of the poor in this country remains a national disgrace, and much of this arises from bad nutrition. The Government's Social Exclusion Unit will, no doubt, give serious attention to this problem.

But I feel that the concern which the well-to-do have about food and health are overdone. People are living longer and longer and health problems for most middle-class people which arise out of food could be resolved by a little bit more self-restraint and a little bit less self-indulgence. Another social revolution has been the rapid growth in eating out. McDonald's is a world-wide phenomenon and in the United States more than half the food is consumed outside the home - not quite as much in Britain.

Today, London probably supports the widest range of restaurant choice in the world, a far cry from the gastronomic desert of a generation ago. Even the average British provincial city supports an impressive range of fast food, pub and restaurant options - yet another sign of increased affluence and social change.

The food industry, always an important source of employment, has seen a radical change in the nature of work it offers:-

- From hundredweight bags of fertiliser, physically manhandled several times on a farm, to tonne bags moved by forklifts.
- From physically demanding manual labour to skilled operators of forklift trucks, robots and conveyors. (I saw last week a 60 year old man in one of our dairies, who had spent his life physically manipulating cumbersome valves, now happily controlling a complex process on his computer).
- But also, from manually loading milk bottles onto washers, to labour intensive sandwich makers and cake decorators who are generally women.
- From personal customer service in small grocers to till operators and shelf-fillers in supermarkets.

As with other employment trends, job opportunities are increasing in the service end of the food chain, but there are fewer and fewer jobs in agriculture and food production.

(IV) Food and Technology:

I have mentioned the enormous historic contribution made by Science and Technology in the struggle to ensure that supply can keep up with the spiralling global demand for food. But scientists are increasingly challenged by environmentalists and doctors who argue that progress is being made at the expense of the environment and public health. The debate over genetic modification highlights the issues.

In affluent countries, the technological challenges are varied. On the one hand, how to produce and process foods with the minimum use of chemicals, fertilisers and additives, at an affordable price - but also:

- How to make low-fat food tasty a mighty challenge?
- How to reduce cooking temperatures, thereby retaining more taste and texture, without increasing the risk to consumers?

- How to extend the range of convenient food, with minimal risk?
- How to produce meat and milk humanely and with little risk to consumers?
- How to reduce additives in food, with minimal risk?
- How to use technology more effectively throughout the food chain to lower cost, improve availability, and control safety?
- How to develop reliable cooking and storing equipment to enable small restaurants, institutions and private households to prepare, cook and store high quality food safely?

In my job as Chairman of the Government's Better Regulation Task Force, I have spent a lot of time looking at how one deals with risk through the use of regulation. The main danger areas are transport, the workplace - and of course, food.

We must minimise the risk to the public arising from the Food Chain, but not through over-regulation.

Would not the compulsory licensing of 800,000+ food premises be hugely bureaucratic, counter-productive and probably impossible to enforce? [The hot-dog man outside a football ground, the bring-and-buy cake stall].

- Do we **really** need to ban unpasteurised milk? Much better to label the product properly and ensure that vulnerable groups the young and the old don't indulge.
- And, as my wife recently calculated, the risk of dying from eating beef on the bone is equivalent to being run over by the Queen.

The priority for the Food Standards Agency is to ensure that regulations are proportionate to the risk, targeted, openly discussed and explained, applied consistently and that there is clear accountability when things go wrong.

The problem with the B.S.E. catastrophe, after the Southwood proposals were adopted by the Government, was not that the regulations were inadequate, but that they were not enforced properly. Had they been, there would have been no B.S.E. left in the British herd by 1996 when the possible link with C.J.D was established. In other words, the continuing risk should have been eliminated by then.

The Food Standards Agency's job is a daunting one, its remit must be clearly defined, and its membership broadly based and reflecting the public as opposed to sectoral interests. It must clearly earn the confidence of the public, but it must also react to issues with a proper sense of proportion.

(V) Food and Ethics:

The production of food raises many controversial issues in a modern, affluent society. A generation ago, few people cared and there was little criticism of the reckless use of chemicals and drugs in the pursuit of increased agricultural output. Lethal products like D.D.T. were used with disastrous effect on wild life, hedges were ripped out, vegetarian cows were fed meat and bonemeal, rivers were polluted with silage effluent and so on.

But over the past 25 years, the situation has been transformed:

- New chemicals are monitored much more carefully before being approved.
- Farmers no longer rip out hedges [that is left to the motorway builders].
- British cows no longer eat meat.
- British rivers are cleaner than they have been since before the industrial revolution.
- Though the R.S.P.B. can still highlight worrying declines in the numbers of certain bird species.

Much credit is due to those campaigners and pressure groups who have forced governments, farmers and processors to mend their ways. We are well on our way to reconciling modern methods of land cultivation with a sustainable environment. Scare mongers on both sides have had their bluff called. For example, ten years ago, arable farmers argued that a ban in straw burning would have severe consequences for cereal production. In the event, there was no appreciable impact after the ban. But equally, those who forecast that acid rain would defoliate Europe have also been proved quite wrong.

Concern about animal welfare and the problem of food diseases emanating from the consumption of animal protein present many challenges to farmers and processors. There is particular concern about aspects of intensive modern animal husbandry:

- The side effects of genetic developments lameness and mastitis in dairy cattle.
- The "over-crowded" factory farming practices in the poultry industry.
- The widespread use of antibiotics to accelerate growth and inhibit diseases which seem to flourish under intensive methods.
- The increase in the number of human illnesses which can be transmitted from animals especially *Salmonella* and *E. coli* which in part is due to changes in production and distribution further down the food chain, but may also be because of a rise in the incidence of such diseases amongst the animals themselves.

- And finally, the emergence of a new, and terrible, disease in animals B.S.E. transmittable in as yet uncertain amounts to human beings as C.J.D. which arises from:
 - Dangerous changes in diet formulas for cattle.
 - Inadequate regulations in the first instance.
 - Careless and dangerous neglect of enforcement of new regulation.

Most of these problems can be resolved through common sense and integrity:

• Producers and processors must recognise their own shortcomings and abide by established well-known principles of good practice.

In Britain, we are particularly concerned about the welfare of the animals themselves there are people who appear to be more concerned about the rights of animals than those of human beings.

It seems to me to be wrong to talk about animal rights, but rather we should concentrate on the obligation of human beings for the welfare of the animals they control, and eventually eat.

Once again, the issue of proportionality arises. Cruelty to animals in poverty-stricken societies is regrettable, but perhaps understandable in the pursuit of food for survival. However, cruelty to animals in wealthy, sophisticated Western European and North American countries is much more questionable. Britain is probably the least badly behaved, compared with the Spanish, the French, or the Americans, but despite this, I think it will be a growing problem for us all in the future and questions will go on being asked about:

- The stressful transportation of animals over long distances.
- The over-crowding in poultry and pig-rearing.
- The apparent physical stress and pain arising from some genetic development in animals

It does not surprise me that vegetarianism, which is both ethically sustainable and economically logical (it makes the job of feeding the world easier) is becoming more popular, especially amongst younger people. For the majority of us though, we remain vigorously carnivorous.

However, the appeal of organic food - albeit only available to the rich middle classes who can afford it - whilst being a perfectly valid **market** proposition, has a much

weaker **ethical** base than vegetarianism An organic global food chain would create instant catastrophic world famine.

And, of course, an organic agricultural system depends upon the commercial production of meat and milk for human consumption.

(VI) Food and Neurosis:

Which brings me to one of my favourite aspects of the food business - the way it has become a catalyst for the spectacular neurosis which thrives in prosperous Western Society.

One of the problems of an affluent, peaceful society, with rising life expectation driven by medical advances, is that people begin to expect that there is a physical solution to the problem of immortality, as opposed to a spiritual one. And one suspects that many citizens think that the main barrier between them and immortality is the wicked food chain!

The media have made a fortune out of exploiting this neurosis. Multitudes of journalists make a living out of peddling dire disasters from food consumption and the evil capitalist manifestations of food manufacturers and retailers.

It takes a very robust psychological make-up to survive the tales of woe and disaster which the food commentators peddle every day.

On the whole, however, I think that the neurotic attractions of food should not unduly concern society. It has created jobs for many journalists and pressure group harbingers of doom who might have difficulty in finding employment otherwise. And the vast majority of the British public doesn't take them too seriously.

The healthy-eating campaign illustrates this perfectly. Few can argue that obesity is a threat to our health. Yet, despite the publicity, the campaigning, the shock-horror stories, particularly in health-neurotic America, obesity is rampant and on the increase.

Why? Because too many of the "painless" routes to a healthy diet are flawed and misleading. Many of the dangerous claims have not been sustainable (milk and potatoes). Affluent people tend to be self-indulgent gluttons (like most animals, they have a tendency, if allowed, to gorge themselves to death).

The only thing that really matters is your weight, which is determined by genetics, exercise and the quantity of food consumed.

But I get great pleasure and entertainment from the people who have created the Food Neurosis industry - highly creative, imaginative, often well-bred with the evangelical zeal of missionaries, prone to take themselves too seriously, and a source of endless delight to cynical observers like myself. Life would be a much duller place without them.

(VII) Food and Pleasure:

- Oddly, to me, the business of eating is quite boring.
- But the socialising which goes with eating is a completely different matter.
- The only decent conversation takes place over a meal and a glass or two of wine.
- Serious business deals always seem to be consummated over a plateful of food.
- And international agreements are always crowned in an orgy of consumption.

And nations are so delightfully idiosyncratic in their attitudes to food.

- The Americans, an eccentric lot at any rate, excel themselves when they come to troughing. To them, eating is by far the most serious human activity.
- The French are rather silly about it, with all their fussy sauces and nouvelle decorations.
- German food is, for the most part, spectacularly inedible.
- Scottish (and Irish) gastronomic tendencies are suicidal.
- And the Italians alone know how to combine pleasure and quality in their eating.

And I love:

- The breathtaking pretentiousness of so many food writers.
- The pre-renaissance dogmatism of the environmental and diet lobby, intent upon creating their own equivalent of the 'counter' reformation.
- The gall of the food marketeers, whether it be through the insidious appeal of the purveyors of burgers or the erotic insinuations of the ice-cream brigade.

So, in summary

- For many people in the affluent West, Food Scientific progress is a threat.
- For the poor in the developing world, however, the Food Scientist is crucial for survival.
- The dilemma for advanced democratic governments is obvious:
 - How to respond to those who point out, often with good reason, that the scientists have got it wrong and that we should return to more "natural" techniques of production.
 - But also having to recognise that without science the world would starve, and Malthus would have been proved right.
 - And also for us all to come to terms with the reality of a global, rather than a national food market.

So, as with all things in a healthy democracy, there must be compromises:

- Between over-enthusiastic scientists.
- Zealous, if affluent, traditionalists.
- Unscrupulous marketeers.

Deals will be done, a sense of proportion will be maintained, we shall muddle through.

Christopher Haskins Chairman-Northern Foods plc 3rd June 1998.