Another sneak peek: Farmageddon? Brexit and British Agriculture

Centre for Brexit Studies Academics have contributed to another Bite-Size Brexit book which aims to put an industry which has been somewhat forgotten in the Brexit debate into the frame: Agriculture.

Farmageddon? Brexit and British Agriculture, edited by Caroline Stocks and John Mair, explores both paths that Brexit could mean for Agriculture in the UK. Being an underexplored issue in the 'Great Brexit Debate', the book remedies that and puts the industry, which will impact a huge amount of businesses across Britain, into the spotlight.

Brexit could offer an opportunity for British Agriculture post Brexit, free of the Common Agricultural Policy. It could also be a disaster with export markets lost, subsidies and bankruptcies. But which one will it be?

Enjoy the foreword of the book below, written by Private Eye's 'Bio-Waste Spreader' Stephen Carr...

Farmageddon: Why Brexit could spell the end for so many UK farmers

Stephen Carr has written for several publications over a 30-year career including, currently, Farmers Weekly and South East Farmer. Under the pseudonym of Bio-waste Spreader he has written the Agri Brigade column for Private Eye for the past 10 years.

Stephen also farms a mixed organic farm of sheep, cattle and some arable on the South Downs in East Sussex.

It is hard to imagine a farm policy more idiotic than the current Common Agricultural Policy (CAP). Since 2005, the EU has paid out €64bn a year of taxpayers' money to farmers for doing nothing more than occupy their land. To receive this money from the CAP's 'Basic Payment Scheme', farmland 'occupiers' have not been required to reduce greenhouse gas emissions or other forms of farm pollution,

reverse the decline of flora and fauna on their land, or even produce food.

So why is there such intense anxiety in the UK, reflected in the apocalyptic title of this book, about what the repatriation of UK farm policy post-Brexit might lead to? Could a UK-devised policy possibly be any worse than the current CAP?

It is appropriate that the following pages give space to contributors from both Scotland and Wales. An important aspect of the difficulty of regaining responsibility for farm policy is that, for the first time, it will give the UK's devolved assemblies and national governments an opportunity to develop their own. Powers to develop separate policies were granted decades ago but have not been exercised to any important degree because the CAP (as its name suggests) has imposed a 'common' farm policy across the whole of the EU.

But with the CAP on the way out, the SNP government in Holyrood in particular has been toying with radical farm policy departures from those proposed by politicians in Westminster, including special assistance for new entrants and the introduction of livestock headage payments. The political relationship between the SNP government in Scotland and the Tory administration in Westminster has become increasingly toxic, as only Westminster politicians have been negotiating the UK's future trading relationship with the EU and other potential trading partners. Both the UK's national governments and regional assemblies are determined that Brexit should not result in a Westminster grab back of formerly devolved powers.

Developing their own agricultural policies will be an important test of their ability to exercise hard-won political autonomy.

For UK farmers, the consequences of this political stand-off could result in farm policy anarchy. How, for instance, could English beef and sheep farmers compete with their Scottish counterparts if substantial livestock headage payments were introduced in Scotland but not in England?

Michael Gove, Secretary of State at the Department for the Environment and Rural Affairs (Defra), has finally conceded that he does not have the power to devise a UK-wide farm policy.

Nonetheless he has advocated a 'Green Brexit' and drafted an Agricultural Bill for England that he hopes will set the tone and direction of policy for the whole of the UK.

Gove's bill talks of investment in R&D and making the UK a 'world leader' in food production standards. It proposes to fade out all EU subsidies and replace them with a vague policy that is centred around the principle of 'public money (subsidy) for public goods (environmental improvements)', and the nerdy concept of 'natural capital' that only Gove and his consultants understand.

On food security, the bill is deafeningly silent. A no-deal Brexit would present UK farmers with daunting tariffs on anything they currently send to the EU, although the damage would be limited because the quantities of food that the UK exports to the EU are very small. Apart from lamb and modest tonnages of malting barley (for brewing lager) the UK is a net importer of just about every other food commodity.

More damaging (although not to shoppers) would be the importation of cheap food as WTO trade rules replaced those of the EU. All sectors of UK agriculture would be sensitive to any cuts in import tariffs because hardly any UK farms are large enough, have a sufficiently ideal climate, low enough wages or weak enough currency to make them globally competitive. And even if UK politicians were minded to retain EU levels of tariffs to protect UK farmers from cheap food imports, it is doubtful whether they would be allowed to do so under WTO rules.

To take the beef sector as an example, the UK currently imports 40 per cent of the beef it consumes. Domestic production is mostly in the hands of small, inefficient producers who show heavy trading losses when unpaid family labour is attributed even a very modest wage. Other sectors like grain would fare little better. Even with EU grain tariffs in place, only a small proportion of UK cereal farmers (probably less than 10 per cent) make a profit from their production. Without protective tariffs the UK farmgate price of grain would drop by about one third (in the case of wheat from £150 down to £100 per tonne).

Even under the auspices of the CAP, UK food self-sufficiency has declined from 74 per cent to 60 per cent over the past 30 years, and what remains of UK production is alarmingly dependent on seasonal

contract workers from EU countries. Food production involves dirty and often dangerous work. Long days and unsocial hours – particularly in the fruit, veg, and dairying sectors – compound the difficulty in finding employees. With voter concerns about immigration at the heart of the ongoing Brexit debate in the UK, the Home Office has proved depressingly reluctant to make any specific guarantees about how these sectors will source labour in the event of no deal.

Brexit – in enlightened hands – might have been an opportunity for Britain to shape its own coherent, interesting, dynamic food and farming policy; addressing issues like pollution from farming and improving farmland biodiversity, promoting local food networks, even, say, reinstating Britain's regional farming heritage that has been so horribly distorted by the CAP.

We might have kept current domestic food production intact by engaging in a sustained effort to protect the UK's domestic food market from ultralow-cost food-exporting countries. The chances of this outcome look increasingly slim. It would need a determined effort by politicians ideologically committed to such a course and they are simply not in evidence.

As the next Brexit 'deadline' approaches, the Tory party is riven with political infighting over food trade policy like no time since Robert Peel's repeal of the Corn Laws in 1846. Such are the current divisions in Tory ranks over tariffs that Gove's tentative attempts to produce an Agriculture Bill have been kicked into the political long grass. Gove and the normally

Europhile Chancellor Philip Hammond ended up 'spitting feathers' at each other when Gove suggested that many tariffs had to remain if UK farmers were to survive. With such deadlock in Cabinet on the Agriculture Bill, there are now justified fears that farming (which accounts for less than half of one per cent of UK economic activity) is simply being ignored as the UK desperately tries to secure bi-lateral trade deals in the latest run up to a potential hard Brexit.

Such anxieties are starting to affect individual farmers. The Royal Agricultural Benevolent Society says that even before subsidies and tariffs are cut, many farmers 'do not have enough money to put diesel in tractors or food on the table or pay bills'. Adam Day, managing

director of Penrith based The Farmer Network, says Brexit has created an 'unprecedented ticking time bomb' and that 'the farming community is facing a perfect storm, and greater emotional support is going to be needed' (*ibid*).

However bad the CAP has been, it might soon look a lot better than the situation the UK now faces. There is a very real danger of potential farm policy anarchy, with UK food trade policy made up on the hoof or dictated by the WTO. Meanwhile, UK food production faces a collapse if farming finds itself starved of 80,000 migrant contract farm workers from EU countries. EU subsidies are also due to be removed. If 'green' payments to farmers are watered down or abandoned altogether, as is likely, as government concentrates limited financial resources on priorities like health and education during a predicted post-Brexit recession, then we will indeed be facing Farmageddon.

Farmageddon? Is now available on Amazon. Find out more here.

Farmageddon? Was recently launched at an event in London. Watch the full debate between Stephen Carr, John Mair, Caroline Stocks and Sir Peter Kendall now on our <u>YouTube channel here</u>.