## The Common Agricultural Policy is dead: long live the BAP

We have had 45 years of the Common Agricultural Policy. What will the BAP (British Agricultural Policy) look like? **Richard Byrne** (Harper Adams University) looks at how the CAP outgrew its original purpose of ensuring food security to become a wider land management programme. In fact, it was the UK's 1986 Agricultural Act that led the way in agri-environmental policy. A successful BAP must take in the needs of the whole rural economy, not just food production.

For 45 years, British agriculture has operated under the 'guidance' of the CAP – the EU's Common Agricultural Policy. Brexit now means that the UK requires its own agricultural policy. The UK's future Agriculture Policy (UKAP) or British Agricultural Policy (BAP) – or whatever it may be called – is an opportunity to review what we require from not only agriculture, but wider land and environmental management.

The CAP has had few cheerleaders and its loss should really not be mourned. Fundamentally it ignored the rules of supply and demand, and as a result it created the food mountains and the wine lakes of the 1980s, contributed to widespread environmental damage and habitat loss, and was hugely expensive; at around €59bn, it is the biggest component of the EU budget. This in effect means that European consumers are paying twice for their food, once through the CAP and again through the product cost. Most damningly, perhaps, the CAP was established with the key aim of supporting Europe's small famers – yet this is the very sector which has shrunk most over its lifetime, even as large farms and institutions have benefitted greatly from its subsidy and support mechanisms.



A Tavistock bacon bap with gooseberry and coriander chutney. Photo: 46137 via a CC BY 2.0 licence

So given that the CAP has failed in many areas, do we really need an agricultural policy? Why can't we leave it to the market to send signals to farmers to produce and meet the needs of consumers? In the age of a desire to free business from regulation, surely this is the way forward? In the historical past, agricultural policy was all about price control. For example, the Corn Laws (1815- 1846) kept the UK grain price high to support British producers by imposing restrictions and tariffs on imports, ultimately hurting consumers.

Today's CAP is far removed from the original. Although the early CAP utilised price controls, it did so with the principal aim of maintaining stability for consumers and arguably (along with the single market) it helped create market stability for investment, which with trade and technology have driven down food prices across Europe.

In the last 20 years it has been fashioned and shaped into a wider land management policy supporting conservation, rural development, habitat restoration and soil and water management. While some commentators and politicians regard this diversification of agricultural policy into environmental and social areas as a huge amount of red tape and over-regulation, it very much stems from the recognition of the importance of rural land in the delivery of wider ecosystem services – carbon capture, clean water etc. Increasingly agricultural policy reflects societal demands and interest, and this is where the UK has played a key role in policy development.

In the late 1970s and the 1980s, the growing public and political awareness of the impact of agriculture on the environment and landscape led to the development of the UK's 1986 Agricultural Act. This innocuous UK act delivered the pioneering Environmental Sensitive Areas (ESA) scheme – the first large scale agri-environmental programme which paid farmers for conserving natural features and producing non-farm environmental goods. Given this was an initiative of the Thatcher government (which was ideologically opposed to intervention), this step was to herald a new approach to policy development and delivery within agriculture. The ESA programme laid the foundation for later EU-wide agri-environmental programmes.

So what does the future hold for the UK's Agriculture Policy? Should the CAP be a model? Today's CAP is very different to its historical counterparts, and those who see it as burden and cumbersome regulation often don't recognise that the changes reflect the internationalisation of agricultural commodities, the development of the value chain and society's wider concern about the environment.

The UK has a long history of championing agri- environmentalism, and initial indications from DEFRA are that agrienvironmentalism is here to stay, although in what form and who will be eligible for funding is not yet clear. Food
security is another area to consider. While the CAP has for many years sought to limit agricultural production, and
trade has acted to supplement and diversify supplies and products, the uncertain nature of future UK trading
relationships may mean the UK has to grow more of its own food, increasing its food sovereignty. While this seems
attractive to many, the UK has little spare land to increase production, and the climate doesn't allow us to grow many
of the products we like to eat, such as rice. Perhaps more importantly a strong food sovereignty policy can be
interpreted by trading partners as protectionism and act as a barrier to wider trade deals. Linked closely to food
security is biosecurity. Not only does disease impact farmers directly, it damages trade and can increase consumer
prices sharply as supply is squeezed or alternative sources are bought on stream. Within Europe, we should
recognise that one of the greatest threats to food security is not physical access, but affordability.

We may also wish to look at rural development (as the CAP does). It has long been argued that rural development – job creation, enterprise support – should not be part of agricultural policy. Yet the nature of the rural resource base generally means that most job creation opportunities are in food and leisure. The rural development element shows the value of integration, bringing together resources, business, skills and people to generate economic gain as well as social betterment. In this way we can tackle the future challenges of rural poverty, fuel poverty, climate change and emerging disease risks.

Brexit offers an unprecedented opportunity to develop policy that meets the needs of farmers, consumers and the environment. It is a chance to reward positive environmental action, while supporting food production and displaying openness to trade, exports and the wider agribusiness environment. Ultimately it needs to bring together the private, public and third sector to build on those strengths. The future needs to be about openness and integration rather than a parochial, sector-based approach.

This post represents the views of the author and not those of the Brexit blog, nor the LSE.

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The migrant labour shortage is already here, and agri-tech can't yet fill the gap