

“Ethics” In agriculture and society

The following is an address given by Phil Jefferys at a conference run by Initiatives of Change in Melbourne January 2007 on the theme “Beyond the Bottom Line: Building Trust and Integrity”

I was a woolgrower in a part of Australia with low rainfall and frequent droughts. The fluctuating rainfall and inconsistent amounts of feed available for the stock in that region meant an ongoing dilemma about the number of sheep that the property should run. It was a juggling act between holding on to your stock hoping that rain would fall and ease the pressures on the land or selling stock to minimise the environmental impacts. It was a series of very difficult and complex decisions and it is not always easy to make the right choice.

In everything we do in our daily lives we are faced with a range of choices. When we have to make a decision what makes us choose one way or another? Do we genuinely consider ‘ethics’ when we make that particular choice? The dictionary defines ethics as--moral principal or code of behaviour.

Over 60% of the world’s poorest people are farmers and in India for example there are more than 600 million farmers. Most of these farmers are leading a hand to mouth existence by farming less than an acre of ground but by and large they are feeding their immediate family and in some cases able to sell surplus produce to live on. For some the ethics of doing the right thing for the land can mean their children go without the basics.

Farming is at the basis of life and farming is the world’s biggest business. It is estimated that by the year 2050 our planet will be feeding 9.5 billion people. In an attempt to adequately feed everyone farmers will need to double current food production. While doubling production we will also be called on to grow crops for fuel.

In a free market if there is a conflict between selling crops for food or for fuel, who will decide the outcome? Who will starve? Right now, each day 50,000 people die from the effects of poverty. But we are all right, what do we care? Or if we do care, does it go far enough to make a difference? What are our ethics?

Faced with the challenges of today, we have a choice. Plan for a world for everyone or for a world where our small group will get through and let the rest go hang!! It seems to me that this touches at the heart of ethics. The world is designed to work with the right ethics in society, meaning you and me.

In the situation we face of growing world population, climate change and the end of all fossil fuels within 130 years, most of us need to be ready to say goodbye to many of our grandchildren and great grand children to come unless we look into the future and plan for the long term. We need to use our land sustainably and ensure effective outcomes for farmers. If we as farmers get it right you the consumer will benefit, if we don’t get it right there will not be many who benefit.

I believe that a foundation of the right ethics is that the smallest and weakest in society get a fair deal. On that basis I believe there is hope for mankind and we will be surprised to discover that the smallest and weakest have a leading role to play.

I don't think the biggest and most powerful see themselves as evil and corrupt when they exploit the weak in society or make some of the wonderful deals that can lead to doubtful profits, many of them think they are doing the right thing and after all its the natural survival of the fittest. I think if they did see themselves as others see them (And maybe as God sees them) some of them and maybe some of us would not be able to sleep at night!

Farmers sometimes make a good profit when another farmer is in trouble. Cyclone Larry in January 2006 devastated the majority of our banana growers in northern Queensland. Growers outside these affected areas have been able to sell their produce for much higher prices. Supermarket prices for bananas rose from prices around \$2 to \$3 a kilo up to \$16 or \$18 a kilo. These prices quoted represent what consumers pay not what growers receive.

A colleague in the UK informs me that prices are staring to rise in the UK due to rising demand for food and energy world wide coupled with crop failures due to hotter, drier times. Will this be the turn of the farmers to manipulate the markets for the best possible return or could they ‘pioneer a fairer form of trading?’

Some of our politicians want to remove single desk marketing because they see the open market creating more competition and hopefully higher prices. This is termed as free trade but free trade is not fair trade. Big companies and governments do well out of free trade but most farmers do not. If, and these are big ifs’ If we get some of the long-term targets right ethics will take a natural place.

Our job as farmers is to feed everyone now and in the years to come and leave the land for future generations in a

better state than we find it. If we are to take a task like this seriously (which I believe is Gods calling for all farmers) then matters of motivation and spirit naturally take centre stage. Will we use our land for ourselves or for everyone's benefit, Are we stewards of mankind's property or just there to get what we can while we are here?

In an attempt to save our planet we must stimulate our governments to plan for the long term. A country that does not have a viable farming system is a country in trouble. The costs of producing the food we eat are rising but farmers cannot pass-on these cost increases because they are price takers, not price makers.

Governments want people to have access to clean and cheap food but it is the supermarkets or middlemen who control the supply and fix the buying and selling prices. In today's world globalisation is for big business and big governments and in the free market regimes supposedly all of us are to receive the benefits of competition, deregulation and more choice. The facts are showing however that the gap between the rich and poor is steadily widening. Today's world is not a perfect world and sometimes there are situations where a lack of ethics creates a problem.

Consider for a moment the 'ethics' of the sale of wheat to Iraq. The wheat was grown by Australian farmers and used to feed Iraqis'. The Australian Wheat Board markets and sells grain on behalf of upwards of 35,000 Australian growers to more than 50 countries. On one hand there are the irregularities of the sale, large sums of money changing hands to facilitate delivery of the grain. Business and trading at this level around the world is done with commissions, considerations, kickbacks, bribes and freight being paid to facilitate a sale. Trade deals are done behind free trade agreements and assistance or aid to needy countries under the cloaks of subsidies are disguised as foreign aid. I do not endorse these actions but it is a fact of life that these things are happening in this imperfect world.

Now please consider the 'ethics' of some of the dealings behind the scenes of these wheat sales to Iraq that have not been discussed so openly. United States interests and other multi national grain trading companies are pushing for the dismantling of the Australian Wheat Board's single desk selling system and are using the wheat sales to Iraq to support their arguments. Multi national US companies want access to our grain and our markets and if the single desk control is lost, big companies would buy out or take over small companies and within a couple of years the Australian wheat traded could be controlled by a couple of foreign owned grain traders. These huge public companies do not appear to have the benefits of the growers in mind; they appear to have the benefits of their shareholders as a priority. The net effect of this is a lowering of the prices received by the Australian growers and sales to you the consumer at prices as high as the market will bear.

That is 'business' but ethically how much profit is enough profit? Consider the 'ethics' of something a little closer to home.

Two major super markets in Australia have a combined market share somewhere between 80% and 90%. There is a large gap between prices received by growers and prices charged to you the consumer. The middleman pays a little as possible to farmers and you the consumer pay many times more than the farmer receives. To add to the pressure on farmers, free trade agreements allow supermarkets to import food into the country more cheaply than locally grown food. Free trade is not fair trade; it is business but is it ethical?

Who of us know what the long-term effects of climate change will be? The amount of water in our world is finite, and climate change is disrupting the distribution, no more water is being created. It falls as snow or rain on our mountains and deserts, it is being used, abused, polluted and occasionally being recycled as it runs past us into the oceans where the cycle continues.

Why then are the ice caps at the north and south poles melting?

Why are the glaciers everywhere rapidly decreasing?

Why are the huge lakes around the world drying up?

Why are our rivers and streams carrying less or no water?

Why is pollution in some rivers so bad that in areas 73% of the river water is unusable without filtration?

We must invest heavily in conserving and managing our water supplies.

The World needs people who have strong moral ideals if we are all to survive. We have a choice, choose the ethics that produce trust, that shape our thinking to care so that every person has a fair deal.

All it takes for tyrants to flourish is for ordinary people to stay silent.
I just want to finish by asking the questions.

Why is there so much poverty in an industry that the world relies on?
Where will your food come from in the future?

Thank you.

Phil Jefferys