

The Miller's Tale – part 4.

The tale concludes

(Some of the links are quite long. So you may wish to read straight through and then go back to any which interest you)

IMAGINE a country where there are empty shelves in the shops, rampant inflation and shortages of basic supplies, where the electricity is frequently interrupted and rationed, where you cannot get a job in most industries or public services unless you have a membership card of an officially recognised trade union. This is not some banana republic or Eastern European “People’s Democracy” but Britain in the early Seventies around the time we joined the EEC. When Sir Emrys Jones, formerly a top civil servant in the Ministry of Agriculture and newly appointed Principal of the Royal Agricultural College Cirencester, visited the Society of Feed Technologists shortly after we joined, he had more pressing questions for us than we had for him. Where could he get a reliable supply of toilet paper? “Our Victorian drains block solid after a week of the *Daily Mail*” he said.

Following the financial crisis of 1967 when Prime Minister Harold Wilson devalued the pound (including “the pound in our pocket” which, he assured us, was unaffected) , he and the Foreign Secretary George Brown went to see General De Gaulle about joining the EEC as a possible means of improving Britain’s exports. De Gaulle was not sympathetic but he was ousted after the riots of 1968 and the new President, M. Pompidou, was not only more sympathetic but badly needed somebody to pay for the Common Agricultural Policy which was hugely advantageous to French peasant farmers. So, with the new Conservative government of Edward Heath, it was a matter of “cometh the hour, cometh the mug”, as the Americans say. Heath was a fanatical believer in the European project. The taxpayer and housewife would pay dearly for his ambition.

The Labour party membership in the meantime had hardened its opinion against the EEC for reasons amply stated by Nigel Spearing MP in this video.

Nigel was the last MP to speak against the EEC treaty in the crucial debate. Some 69 Labour MPs defied their party whip to vote in favour of the EEC, which gave the Heath government its narrow majority to join. That was 1972. As this is all so long ago and memory tends to compress events, I have made the following timeline of some of the most significant..

1970 June Conservative Edward Heath wins general election with a majority of thirty

1971 January First British soldier is killed in Northern Ireland.

November National Union of Mineworkers (NUM) starts overtime ban

1972 January Miners begin national strike. Fourteen people killed by British soldiers during "Bloody Sunday" in Londonderry

February Thousands of miners and others led by Arthur Scargill picket Saltley Coke depot in Birmingham and force its closure in spite of hundreds of police.

Miners' strike ends with total NUM victory.

March Westminster government takes direct rule over Northern Ireland

July Secret talks between government and IRA

October European Communities Act 1972 receives Royal Assent.

1973 January U.K. joins the European Economic Community

October Egypt invades Israeli-occupied Sinai.
Beginning of oil crisis

November NUM starts another overtime ban

1974 January Government imposes "three day week"
to ration electricity

February Another strike by NUM. Heath calls general
election – "Who governs Britain?" The electors decide not him.

March Labour forms government without a majority.
Ends three day week.

October Prime Minister Harold Wilson calls general
election to win a majority. Wins a majority of three. SNP
wins 30% of vote in Scotland.

November IRA murders 21 people in Birmingham pub bombings

1975 February Margaret Thatcher defeats Edward Heath
to become Conservative leader.

June Referendum on continued EEC membership.
Pro Europeans win by 67 to 33 per cent

August Inflation rate hits almost 27%

November Queen and Prime Minister officially open North
Sea oil pipeline.

1976 March Harold Wilson resigns as Prime
Minister

April Replaced by Jim Callaghan

August Strike begins at Grunwick photo processing
works in London

September The pound sinks in value against the dollar.
Chancellor Dennis Healey turns back at Heathrow from journey

to IMF meeting. Prime Minister warns Labour conference "The cosy world is gone". Healey says he will ask the IMF for the biggest loan it has ever granted.

November In London the IMF delegation demands huge cuts in public expenditure as condition of loan. Healey argues for smaller cuts. Majority of cabinet oppose all cuts.

Nov –Dec Callaghan & Healey persuade cabinet and IMF to accept smaller cuts.

Loan granted.

1977 March Government negotiates lib-Lab pact to ensure government majority.

June First mass picket at Grunwick. Fighting between police and pickets.

July Postal workers boycott Grunwick mail.

National Association for Freedom (now the Freedom Association) secretly collects and distributes Grunwick mail.

1978 January Inflation below 10% for first time since 1973

July End of Lib-Lab pact. Grunwick strikers admit defeat.

August Conservative launch "Labour isn't working" poster campaign

Opinion polls move in favour of Labour

September PM Callaghan, having toyed with the idea, decides against Autumn election. His policy is to keep wage rises to 5%

November Unions defy government guidelines for wage increases and strike for higher pay. **"Winter of Discontent"**

begins

1979 January PM Callaghan goes to Caribbean for international conference and holiday. On his return, the Sun summarises his response as "Crisis? What crisis?"

Jan-Feb Peak of strike wave all over country. Dead unburied, rubbish uncollected.

Supermarket shelf stocks run low as lorry drivers stop deliveries.

March Strikes peter out. Government proposals for devolution defeated in referendum. SNP withdraws support for government which loses a vote of no confidence. General election called for May

May Conservatives under Mrs. Thatcher win with majority of 43 votes. Liberal vote collapses. Labour slightly increases its vote.

There were also several movements which started in this decade and gained influence subsequently. The legalisation of homosexuality in 1967 cleared the way for the aggressive Gay Liberation movement which now dominates government policy from primary school upwards and diversified into transgender ideology. The feminist movement gathered strength around the same time, eventually leading to the killing of millions of unborn children, as a matter of reproductive health and lifestyle choice. Prompted by increasing immigration, the National Front rose to some prominence but was largely eclipsed by the end of the decade.

This Private Eye cover gives some idea of the country's financial state and the problems faced by Chancellor Dennis Healey.

The shortages were personally inconvenient rather than

catastrophic although the cumulative effects on an already weak economy were considerable. There were some nasty incidents when supplies ran out but people were mostly good humoured. Sugar ran short. My late sister Sue did not have a sweet tooth and used very little sugar. Yet even she stocked up with several bags "to be on the safe side". So did millions of others and the shops were suddenly bare. Then a story got round that salt was in short supply and the same thing happened. There are millions of tons of salt under Cheshire but what ran out was retail packaging – and so the shop shortage became real.

Our firm was buying salt in ten ton loads for animal feed without the slightest problem at the time, so I brought a half hundredweight bag home which lasted us for years. We did have our own business problem with packaging though. We had just launched a product range with different coloured bags (blue, yellow and white) but suddenly could only get white. So we had to alter the design and get coloured stripes printed on the bags to match the leaflets and presentation.

This has all faded in the public memory now but it was real enough at the time, as these recollections show

"THE GREAT GRAIN ROBBERY"

No sooner had we got used to the higher prices and bureaucracy of the Common Agricultural Policy than all commodity prices went crazy. For several years as a goodwill gesture the Americans had offered the Soviet Union a facility to buy wheat at a subsidised price. The Russians had not taken very much until the Summer of 1972 when, through American agents, they very quietly bought a massive quantity. The agents did not alert the authorities and quietly pocketed the subsidy, said to be around 300 million dollars.

The winter of 1972/73 was unusually cold in Russia and there was little snow cover, so all the autumn-sown wheat crop was

killed and deliveries became urgent in 1973. The world price of wheat doubled and more. My recollection is that the price went from around £45 per ton before joining the EEC to around £60 on joining and then zoomed up to a peak of around £200 . Most other commodities were similarly affected in the panic. It was a hectic time to obtain supplies and keep pace with prices. There was a prices and incomes policy too, which meant you were not supposed to put up your prices until your actual material costs increased. But there was no ban on reselling cheaply bought raw materials, taking the profit, buying in new material at the higher market price and putting up your product price. So it was fairly ineffective.

CLIMATE CHANGE – GLOBAL COOLING!

We were unaware at the time that there was strong scientific opinion that the output of soot and smoke from factory chimneys was blocking sunlight and causing global cooling. Some of the scientists who were keenest to freeze us then are amongst the keenest to fry us now with global warming!

The CIA produced a report saying “Scientists are confident that, unless man is able to effectively modify the climate then Canada, the European part of the Soviet Union and major areas of northern China will again be covered with 100 to 200 feet of ice and snow...”

“...early in the 1970s a series of adverse climatic anomalies occurred. The world snow and ice cover increased by at least 10 to 15 per cent. ... Nothing like this has happened in the last hundred years” .

The CIA also reported that climate science was developing a “successful climatic prediction model” and that “scientific consensus” endorsed it. Sound familiar, doesn’t it? But this was all built around global cooling!

THE EUROPEAN FOOD SITUATION

It is a quirk of history that the first few years of our EEC membership made less difference to food prices because the inflationary effects of the CAP were masked by the huge hike in world prices. Generally speaking, those in favour of independence damned the inflationary effect whilst pro-Europeans thought that our membership of the EEC gave us greater food security. Everybody in parliament would remember food rationing which only ended in 1954.

In the debate on the agricultural white paper of 1975, Margaret Thatcher said

"We are the most vulnerable country with our need for food imports. Therefore it is vital that we secure access to continuous and good sources of food supply. In some years supplies from the continent will be more expensive; in other years they will be cheaper. But the great benefit is access and the greater stability of supplies" (Hansard 1024)

In those days she thought that Europe was the place to be. It was a panicky time and many felt that coming together with the European countries made us more secure. It was psychologically rather like the American pioneers pulling their covered wagons into a circle.

Because of our dependency on imported food, it is still as true today as when Kipling wrote of the Big Steamers bringing us the produce of empire. He made the case that the mighty Royal Navy of those days needed reinforcement to protect that trade.

***"For the bread that you eat and the biscuits you nibble,
The sweets that you suck and the joints that you carve,
They are brought to you daily by All Us Big Steamers
And if anyone hinders our coming you'll starve!"***

The same goes for cross-channel container ships and ro-ro

ferries today.

OUR BUSINESS SITUATION THEN

For the first years of our EEC membership, our firm was comparatively rather fortunately placed. We were somewhat insulated from the worst effects of inflation because our farmer customers were. Their prices, fixed by the EEC, rose automatically each year. As a food supplier, we were exempt from the restrictions of the three day week.

We could use electricity whenever it was available. It meant working some odd hours, as it was often switched off in the daytime. So all of us who were fit worked on production and packing at night when it was necessary. When there were strikes, there were arrangements with the unions that food supplies would not be interrupted or "blackened". So our lorries were not stopped and things were much easier for us than for many businesses. Nonetheless it was extremely strenuous, keeping up with the rapidly changing situation and ensuring continuity of supplies.

THE 1975 REFERENDUM

I was by no means overjoyed to hear of this, much as I disliked the EEC. I thought it would mean unpicking all the work we had done to comply with the European system and we had plenty to do as it was and were pretty tired doing it. I think my father somewhat typified the deep Tory sentiments of our family. "I don't like this Europe business" he said "There's something about it doesn't smell right". He paused for a few seconds and added "But that man Wedgewood Benn's against it, so there must be some good in it" !

Talking to people about it in later years, I found this was a very common attitude. With Enoch Powell and Tony Benn both campaigning to leave, moderate people from either side of the political divide felt rather than thought that the "No" campaign was "extremist". And, of course, the "Yes" campaign

was massively better funded and professionally slick. We did not know the extent to which the press and the BBC were micro-managed.

So I guess we all voted “No” with a sense of duty rather than burning enthusiasm and expectation. We did not know it but the “Yes” vote would sign a sort of slow death warrant for our firm’s most profitable product – our baby calf food, Cal-0-Lac. (see previous episode).

“A FUNDAMENTAL RENEGOTIATION”

Like David Cameron in more recent years, Harold Wilson promised a thorough-going renegotiation of our relationship with the EEC. Of course, he got nothing of the sort – but rather more than was offered to David Cameron. Wilson was able to help our New Zealand friends with increased quotas of butter and lamb and he got certain other concessions which helped to reduce the inflationary effects of the high European prices for food. It was an unintentional consequence of this which so badly affected us – but only because of our failure to recognise and adapt to the situation.

The EEC operated a sort of book-keeping currency, called “the unit of account”. It was somewhat like the euro but without banknotes. To complicate matters there were different exchange rates for agricultural products, called “green currencies”. Harold Wilson wanted to reduce the high cost of EEC food imports and agreed to an adjustment of these. The effect was that continental animal feed manufacturers could ship and sell similar products to our baby calf food Cal-0-Lac at around the cost of our raw materials. This put us at a great disadvantage. We had a well respected product and an efficient plant but, however hard we tried, we would not be able to match the continental competition on price.. As I was responsible for sales, I got blamed for the decline in business. My father had retired and my uncles, nearing retirement age themselves, just thought I should be working

harder. Of course, it was no use expecting a European treaty to be altered on our account.

The obvious thing would have been to get our Dutch friends to make our product, close down our own plant and become a warehouse and distributor. A few people in the mill would have lost their jobs and we could have met the competition. But older people did not think like that in those days. We were British and made a British product- a good one too!

So the trade continued to dwindle and I continued to get the blame. I formulated other products, such as flavourings for animal feed which were not affected by the EEC policy and could see a market for liquid flavours which would be more effective if sprayed on the outside of the feed pellets rather than mixed into them as a powder. But my uncles were not interested. So, after five dispiriting, depressing years, I decided to leave and started my own business in 1981. With the encouragement and help of my wife Ellen, it was pleasingly successful and kept us through the next turbulent years.

But I was no longer a miller, grinding wheat, barley and oats. I was now a specialist manufacturer of feed flavours.. So I think this is the point at which my Miller's Tale draws to its close.

As a post script, readers might like to enjoy this song by the Strawbs. Dating (appropriately) from 1973, it reminded everyone that we were now "Part of the Union"!