

In row over genetically modified food

Blair defends billionaire cabinet member

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24 February 1999

Labour's close ties to big business are central to the ongoing row over genetically modified food. The storm that unfolded last week focussed on the role of Lord Sainsbury, Minister for Science.

His personal wealth is estimated at £3.3 billion, largely from the supermarket chain of the same name. Labour Research, an independent research group, claims that Lord Sainsbury earned more than £36 million in dividends from his shares in 1998, more than seven times that of his closest rival.

Lord Sainsbury sits on the Cabinet committee on biotechnology and is responsible for the budget of the Biotechnological and Biological Science Research Council. He has long-established links to two biotech companies: Innotech and Diatech. He made a significant investment in the US biotech firm Paradigm Genetics just weeks before taking up ministerial office. Innotech Investments Ltd, a firm funded by Lord Sainsbury, along with two other major investors, put a total of £8 million into Paradigm.

Innotech controls Norfolk-based Elite Seeds and Floranova, a seed and plant distribution company. Both are developing genetically modified plants. Gatsby, a charity established by Lord Sainsbury, has put over £2 million a year into establishing the Sainsbury Laboratory in Norwich, where research into genetically modified crops is carried out. The laboratory also receives more than £800,000 a year in funding from the Biotechnological and Biological Science Research Council, for which Lord Sainsbury is responsible as Minister.

Just days before taking up his ministerial post, Lord Sainsbury lent £2 million to Diatech, which own patents on key gene technologies, to help them buy an exclusive office property in Westminster, close to Parliament.

On his appointment Lord Sainsbury placed his huge financial means and share holdings into a "blind trust", which is supposed to preclude any charge of conflict of interest. Although technically he no longer exerts day-to-day control over these assets, they remain his property and he receives all the benefits and profits they accrue.

The supermarket tycoon has given Labour more than £3 million since 1994, helping to pay off their £1 million overdraft incurred after the 1997 election campaign.

New Labour came to power promising to be "squeaky clean", against a background of various corruption scandals that had wracked the previous Conservative administration. Since then it has been hit by successive scandals, such as that involving a £1 million donation by Formula 1 racing chief Bernie Ecclestone prior to legislation being drawn up exempting the sport from a ban on tobacco advertising.

Two ministers have already been forced to resign for financial arrangements that reflected badly on the government. The Paymaster General, Geoffrey Robinson, stepped down after he was revealed as the generous benefactor for several other Cabinet Ministers to whom he had either loaned money or provided funds for their offices while in opposition. Blair's closest confidante, Peter Mandelson, was forced to resign from the Department of Trade over his £400,000 low-interest loan from Robinson.

This has only strengthened Blair's determination to defend Sainsbury's position in government. A column in Saturday's *Telegraph* penned by Blair categorically states, "There is no conflict of interest in David Sainsbury's position: he has nothing to do with the licensing of GM foods."

Blair's list of reasons for ignoring the public outcry

over genetically modified food reveals the authoritarian character of his administration: "The first is the importance of the Government not yielding to an orchestrated barrage on an issue of long-term importance.... The second is that we should resist the tyranny of pressure groups."

The issue of "long-term importance" is the multimillion pound investments by the biotech industry in Britain, encouraged by up to £15 million in government handouts. The "tyranny of pressure groups" are the worries which are expressed by tens of thousands of consumers who do not wish to eat GM food, given the conflicting scientific evidence.

A poll of *Telegraph* readers returned 74.3 percent who thought genetically modified food should be banned. The BBC News Online web site reported it had "received a flood of emails from worried users--many calling for improved food labelling. Others simply wanted an all-out ban on GM foods". Over 80 percent of those who have responded to the site say they would give GM food a "wide berth". The *Independent on Sunday* found that 68 percent of those questioned in their survey were fearful of eating GM foods, with over 75 percent favouring a ban until more research proved them safe.

In the face of such widespread concerns, it is significant that Blair was not alone in rushing to the Lord's defence. After spearheading the attacks on Sainsbury for most of last week, the *Guardian* abruptly changed tack. An op-ed piece on February 18 by senior political columnist Hugo Young is revealing, both for its abject defence of the right of such exorbitantly wealthy individuals as Lord Sainsbury to sit in government, and for its high-handed dismissal of the genuine concerns of ordinary people. It pinpoints a growing fear among the political elite that wide layers of society view both the government and big business with increasing mistrust.

Unable to overlook the fact that just such a series of scandals involving wealthy Cabinet members has affected the public perception of Labour, Young writes, "The financial nexus is supposed to be all-polluting and uniquely compromising. This is a given of every British discussion of how ministers should be expected to behave, and it is a plausible assumption."

Plausible, but wrong according to Young, who makes an unabashed defence of the democratic merits of

wealth and privilege. "It cannot be conclusive," he writes. "A poor man might be vulnerable. With personal assets of reputedly £3,300 million Sainsbury is the richest person in the country. Money must long ago have ceased to be the prime, or indeed any, concern of such a Croesus. In a rational world, this would undermine the *simplistic assumption made by the multitude* that wants to drive him out of government because of conflict of interest" [emphasis added].

Young's criticism of the media over its handling of the Sainsbury affair is again directed against allowing any expression of popular sentiment to pollute the reified world of official politics. "The public--this mysterious entity, summoned at the whim of the media that can just about genetically manipulate its every reaction--don't see it that way. Sainsbury may be clean, but it doesn't look good. However useful he may actually be, out he must go, to propitiate the gods of populism, infused by simple-minded prejudice though they may be."

It is this mutual defence of privilege and wealth and hostility to the social interests of ordinary working people that has brought the government and its occasional liberal critics together once more.



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