

MILK IN SPAIN AND THE HISTORY OF DIET CHANGE

The political economy of dairy consumption since 1950

Fernando Collantes

Professor of Economic and Social History,
University of Oviedo, Spain
collantesfernando@uniovi.es

This document provides a summary of the main arguments and contents of the book
Milk in Spain and the history of diet change: the political economy of dairy consumption since 1950 (London, Bloomsbury, 2024; <https://www.bloomsbury.com/uk/milk-in-spain-and-the-history-of-diet-change-9781350401549/>), by Fernando Collantes

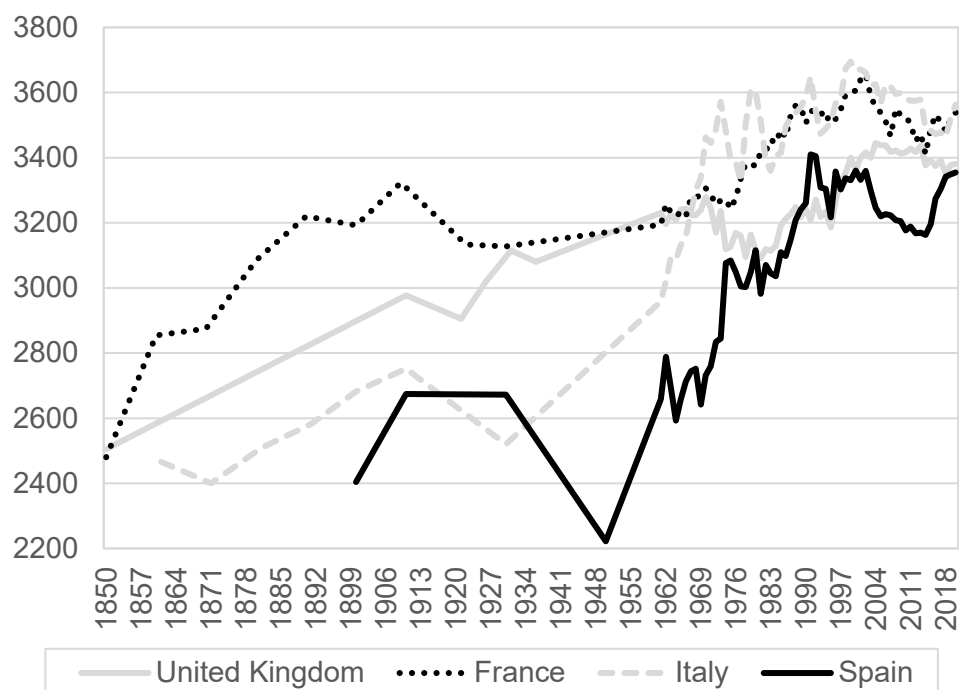
Western countries have transitioned from overcoming hunger and deprivation to grappling with a different form of malnutrition caused by excess and imbalance. In this book, Fernando Collantes delves into a case study, the consumption of milk and dairy products in Spain from 1950 to the present, to better understand the rise and fall of good diets in affluent societies. Building on a theoretical approach inspired by the socioeconomics of Joseph Schumpeter and employing a variety of quantitative and qualitative sources, the book explains the transformation of diets as a result of the co-evolution of Spain's macroeconomic trends, the business dynamics of the food chain, and consumer culture. Collantes identifies two waves of change in dairy consumption: the move towards mass consumption of processed milk (1950-1990) and the turn towards dairy products (1990 to the present). While the first wave made a significant contribution to the well-being of the Spanish population, the second ultimately had negative impacts both nutritionally and socioeconomically. From this historical analysis, a policy conclusion emerges: the state must abandon its adherence to the notion of consumer sovereignty and vigorously implement economic and cultural policies that promote good diets.

Part I. THE RISE AND FALL OF GOOD DIETS

Chapter 1. SOMETHING IS ROTTEN

Spain offers a particularly drastic and paradoxical version of the rise and fall of good diets in the West. Drastic, because in just a couple of generations, it transitioned from hunger and undernourishment to the dietary problems characteristic of affluent societies. Paradoxical, because the country's inability to maintain the adequate nutritional status it had finally achieved around 1980 occurred simultaneously with the rise of the Mediterranean diet as a global icon of healthy eating. Both in Spain and internationally, there have been three major narratives explaining the rise and fall of good diets: one focused on macroeconomic change and the nutrition transition, another on the dynamics of the food chain and food regimes, and another on transformations in food culture. The current state of research has some empirical limitations, particularly stemming from the lack of integration of quantitative and qualitative variables. This, in turn, harks back to the premature decline of Fernand Braudel and Louis Malassis' research program and the lack of an inclusive theoretical framework.

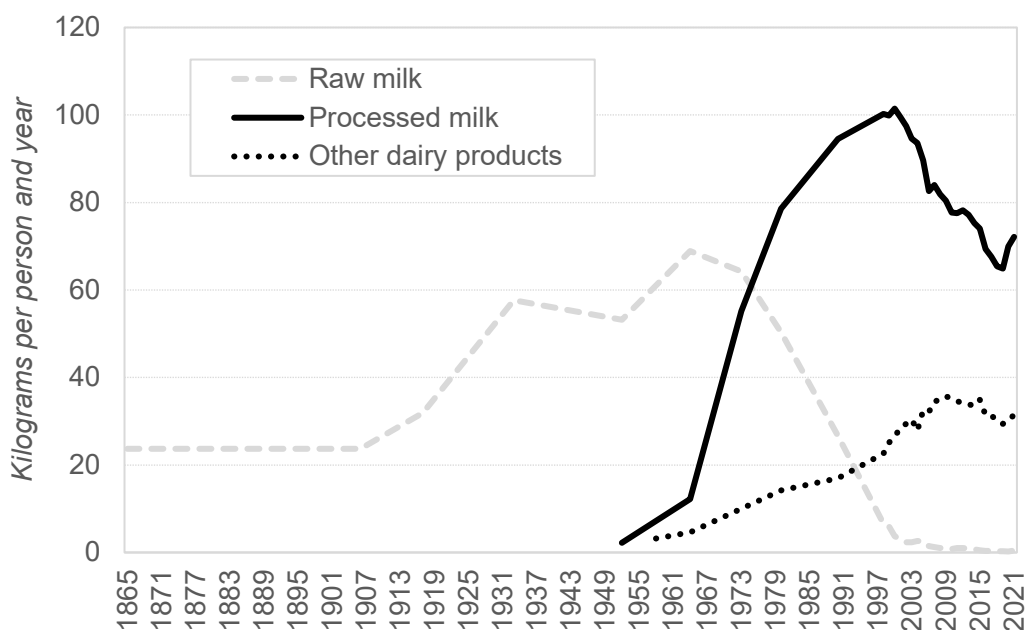
Figure 1.1. Apparent dietary energy supply in four Western European countries (kilocalories per person and day), 1850-2020



Chapter 2. A NEO-SCHUMPETERIAN APPROACH

The theoretical approach used in this book is based on the socioeconomics of Joseph Schumpeter, supplemented by contributions from neo-Schumpeterian authors (especially Chris Freeman and Francisco Louçã) and various elements from classical political economy, institutionalism, and Louis Malassis' agri-food economics. The approach has three dimensions: description, evaluation, and explanation. A description of dietary change is proposed in terms of "long waves" and successive "food consumption models". The evaluation of these models will be nutritional but also socio-economic, introducing the concept of "surplus spending" – the difference between the total consumer spending and the spending required to access a nutritionally adequate basic basket. Regarding the explanation of dietary change, emphasis is placed on the co-evolution of different social subsystems, particularly the macroeconomic, microeconomic, and cultural subsystems. These subsystems are interrelated, but also have a remarkable degree of autonomy, which leads to a punctuated pattern of evolution.

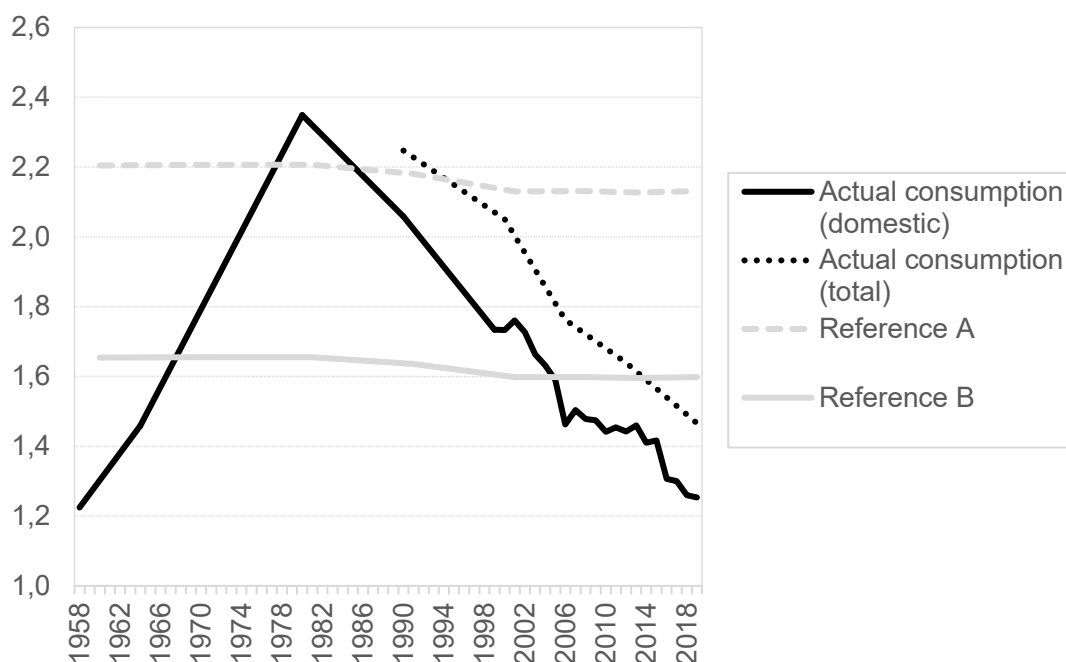
Figure 3.2. Three waves of expansion in dairy consumption, 1865-2021



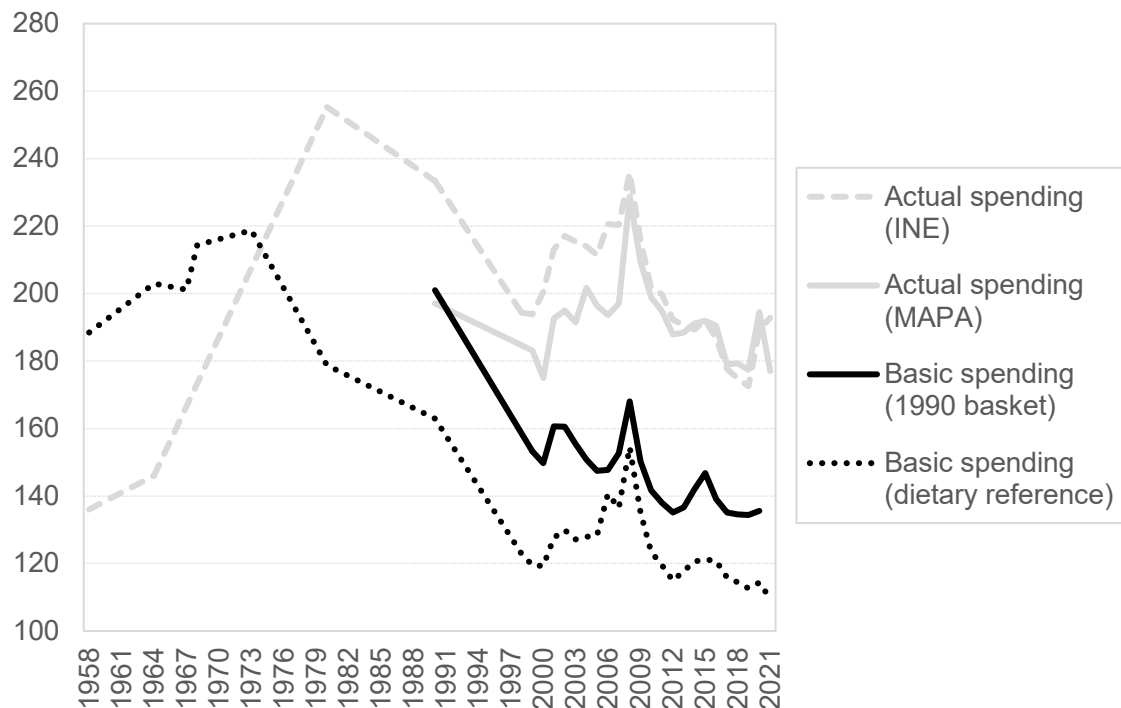
Chapter 3. SPAIN'S TWO MODELS OF DAIRY CONSUMPTION SINCE 1950

Milk and dairy products have played a central role in the history of dietary change in the West. In the case of Spain, various statistical sources, especially the *Household Budget Surveys* and the *Food Consumption Panel*, allow us to reconstruct the evolution of dairy consumption from 1950 to the present, disaggregated for different product types and consumer profiles. The results show two distinct models of dairy consumption, with 1990 as the approximate date of separation between them. The first model revolved around the mass consumption of milk, a product that was originally not very present in the diet of most households. The second witnessed the decline in milk consumption and an increase in the consumption of dairy products, with its most novel socio-economic feature being consumers' substantial "surplus spending". However, while the first model improved the well-being of the Spanish population, the second had a poorer nutritional and socio-economic balance.

Figure 3.5. Dairy servings per person and day, 1958-2019



**Figure 3.8. Consumer domestic spending on dairy products, 1958-2021:
actual and “basic” (constant 2019 euros per person and year)**

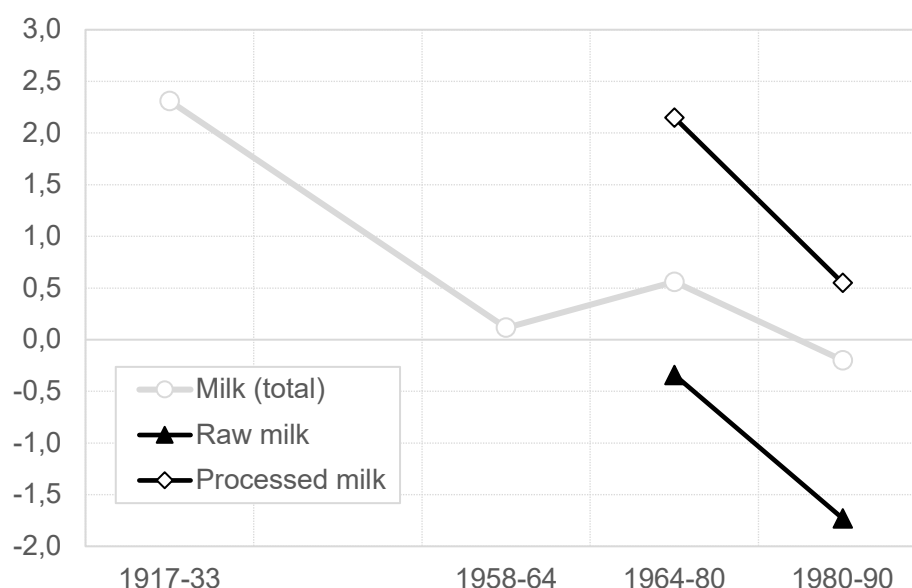


Part II. THE MASS CONSUMPTION MODEL (1950-90)

Chapter 4. MASSIFICATION

Between 1950 and 1990, milk consumption became widespread among lower-status groups and regions where it was not initially prevalent in diets. The economic basis of massification was the extraordinary increase in consumer income levels made possible by a wave of accelerated macroeconomic growth between 1950 and 1975, as well as by a move towards a less unequal pattern of income distribution throughout the period. From the 1970s onwards, this income effect was accompanied by a price effect as milk began to become cheaper. Alongside these economic changes, consumer attitudes were also crucial; only from the mid-1960s did consumers show a willingness to channel their increased purchasing power towards buying more milk. The unfolding of this consumption model was an uneven process that gained substantial momentum only after 1965.

Figure 4.3. Response factors of milk consumption



Chapter 5. LOSING THE BATTLE FOR MILK (1950-1965)

Spain made little progress towards the massification of milk consumption between 1950 and 1965. These were years of mismatch between the dynamics of different subsystems involved in dietary change. Macroeconomic evolution was clearly positive, leading to a rapid and widespread increase in consumer income. The evolution of the dairy chain, based on rudimentary technologies and hindered by the failure of the Francoist dictatorship's dairy policy, was less positive and could not avoid a certain increase in milk consumer prices. Despite the propaganda efforts of the dictatorship, consumer culture was also not conducive, as at a time when processed milk was not available to many consumers, the social image of raw milk deteriorated, and neither cheese nor powdered milk aroused much interest among consumers.

"The battle for milk is still far from being resolved. It is not the same, because you do not accept it in the same way, that milk is produced as powder. It is only through centrals that we can ensure a specific price and deliver true, quality milk to the Spanish consumer, all that is needed".

Alberto Ullastres (minister of Commerce), 1960

Chapter 6. WINNING THE BATTLE (1965-1990)

Between 1965 and 1990, Spain's macroeconomic progress was finally accompanied by favourable developments in the dairy chain and in consumer culture, leading to an extraordinary wave of growth in milk consumption. A fundamental change was the expansion in the dairy chain's production potential, made possible by farmers adopting the technological paradigm of the "green revolution" and by the rise of a milk processing industry. The industrialization of the Spanish dairy chain made increasing quantities of processed milk available to consumers in all regions at increasingly lower prices. Even more important was its ability to restore consumer trust in milk by making it a standardized product. In the 1980s, however, signs appeared that this combination of factors, which had allowed consumers to achieve a nutritionally adequate dairy consumption basket, was beginning to disintegrate.

"Buying 12 litres of milk at once, and placing 2 or 3 in the refrigerator and the rest in the pantry without storage problems, is already a reality today".

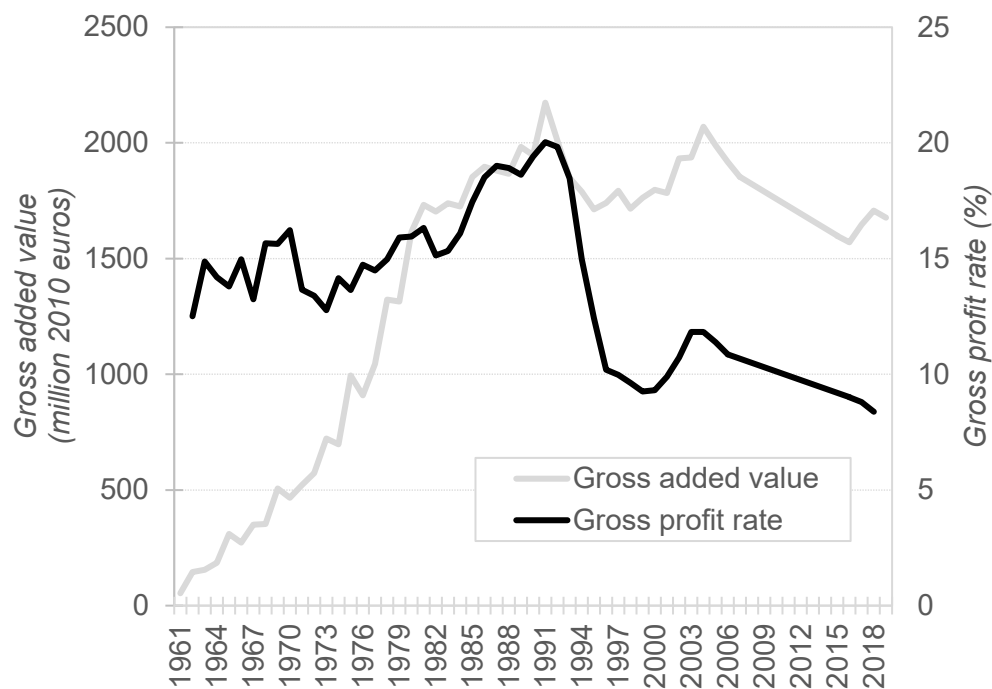
Tetra Pak (UHT packaging company), 1981

Part III. SOPHISTICATED DEVIATION (1990-PRESENT)

Chapter 7. UPGRADING GAMES

Spanish consumers diversified their dairy basket from 1990 onwards, although the resulting "surplus spending" was not oriented towards relevant social challenges, and along the way, consumers ended up deviating from nutritional advice. A fundamental cause of these changes was the expansion of the choice space made possible by the introduction of increasingly complex dairy products to the market. This was connected to the making of new business strategies as a response to the tensions inherent to structural adjustment within the dairy chain. The diversification of the consumption basket was also possible because consumers, benefiting from the macroeconomic boom before the Great Recession and falling dairy prices throughout most of the period, did not face hard budget constraints. Striking contrasts, however, are observed between consumers' preferences for different types of milk and dairy products, as well as between their preferences before and after the outbreak of the recession in 2008.

Figure 7.3. Added value^a and profitability^b in dairy processing, 1961-2019



Chapter 8. A GALBRAITH MOMENT (1990-2008)

In the two decades prior to the Great Recession, Spanish consumers saw their budget constraints become softer and softer. Economic growth was notable, and large segments of the population could benefit from it. Additionally, there were significant reductions in dairy prices, partly because the dairy chain continued to increase its technological level and partly because a "retailing revolution" provided significant efficiency gains. Consumers reacted in different ways to these expanded economic possibilities. They tended to moderate their consumption of milk, a product whose social image was heavily influenced by new nutritional messages warning against excessive saturated fat intake. On the other hand, they were keenly interested in all kinds of cheeses, yogurts, and other dairy products, which they saw as means to upgrade their dairy basket in terms of nutritional health, gratification, or convenience. Nevertheless, the *primum mobile* of change was not on the consumers' side but on the side of companies, which sought to anticipate the needs of consumers.

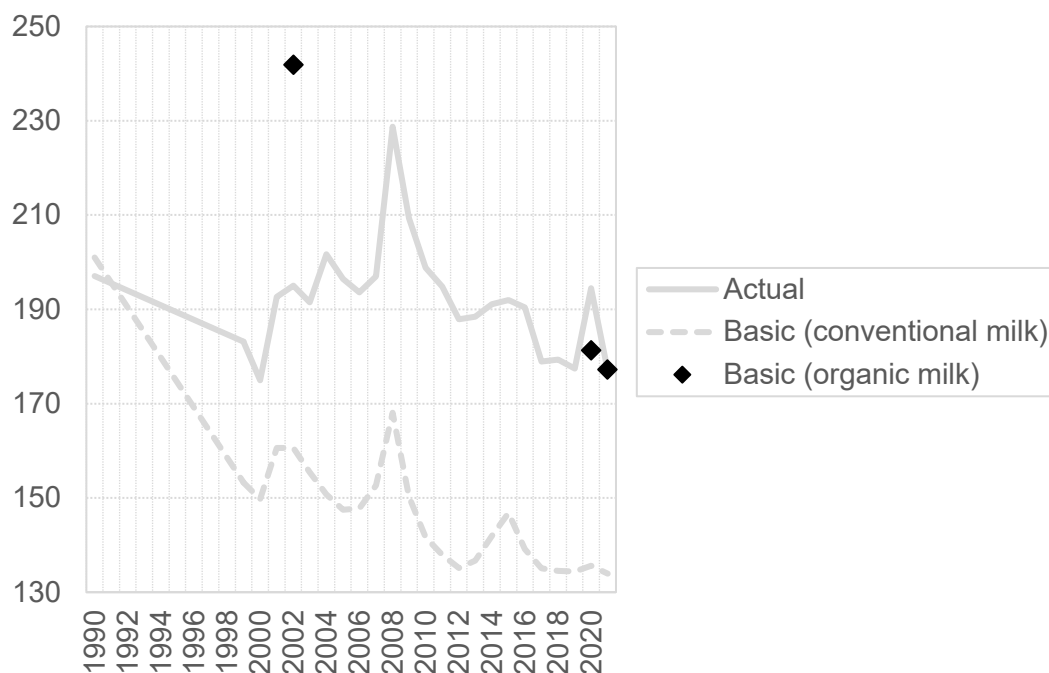
Table 8.2. Products sold by Central Lechera Asturiana

	1992	New products by 2008
Liquid milk	Whole, semi-skimmed, skimmed	Fortified: calcium (NaturCalcio Growth, Mummies, Plenitude; Plus whole, semi-skimmed, skimmed), fiber (BioFibra, NaturFibra with or without cereals), royal jelly (whole, semi-skimmed, skimmed, NaturJalea with royal jelly), "growth" (Superman Energy and Growth, Energy Growth)
Canned milk	Powder milk (whole, skimmed)	
Cheese	Cheese blocks	Fresh cheese (White, skimmed NaturLínea, NaturCol), cheese portions (natural, light, premium), and fortified Superman little cheeses
Butter	Conventional	Light, Mediterranean, easy-to-spread, small portions, with flavours (strawberry, garlic and fine herbs)
Yogurt ^a	Natural, strawberry, raspberry, wild fruits, fruit salad with cereals	NaturActiva with added fruits (royal jelly, valerian and peach, soy and cranberries, green tea and lemon, soy with kiwi and apple, soy with red fruits, strawberry and mint, pineapple and green tea), Vegetánea with added vegetables (strawberry-carrot-tomato, apple-cucumber-leek, plum-beet-spinach), NaturCol (with vegetal sterols), low-fat NaturLínea (liquid, cream, multi-fruit cream), fiber-rich NaturFibra (skimmed, red fruits, liquid with kiwi and apple), BioActiva with probiotics (hazel, red fruits), creamy (strawberry with cream, banana-chocolaate, apple pie, caramel), skimmed (edulcorated, pineapple), kefir (conventional, with lychee and green tea), Superman (fortified for children)
Other	Milk shakes (cocoa, vanilla, strawberry) and liquid cream	Superman milk shake (fortified for children), milk with tea (green, white, red), cream sauce (blue cheese, pepper, carbonara, sea-style, light), rice with milk, 0% flan, hazel cream, chocolate mousse with cream

Chapter 9. TURBULENCE (2008-...)

The outbreak of the Great Recession in 2008 was a critical event that altered the trajectory of the dairy consumption model unfolding since 1990. The recession had a certain economic effect, but the drop in household income was soon offset by an even greater decrease in dairy consumer prices. What changed direction after 2008 was not purchasing power as much as consumer culture. In an era when product innovation was not as vigorous as in the two decades prior, consumers reduced their interest in most cheeses and yogurts. Some trends before 2008 continued, though: the abandonment of milk and the orientation towards complex varieties of dairy products. The magnitude of surplus spending stabilized but remained substantial and even reached a peak under the unique circumstances of the COVID-19 pandemic in 2020.

**Figure 9.1. Per capita consumer spending in dairy products
(constant 2019 euros), 1990-2021**



Part IV. CONCLUSION

Chapter 10. WHAT CAN WE LEARN FROM THIS CASE STUDY?

The case of milk and dairy products in Spain since 1950 has lessons for the broader study of the rise and fall of good diets in developed societies. Rather than a great acceleration leading to today's malnutrition, two distinct models of food consumption are observed: the mass, agro-industrial model of the decades after World War II and another that took shape in the late twentieth century. The latter was characterized (at least in our case study) by the emergence and consolidation of consumer surplus spending. The history of both models presented here highlights the shortcomings of explanations focused too narrowly on the macroeconomy, the microeconomics of the food chain, or consumer culture. This reflects the importance of having a theoretical framework capable of articulating the co-evolution of relatively autonomous spheres.

Chapter 11. HOW TO PROMOTE GOOD DIETS?

The history of dairy consumption in Spain can contribute to the public debate on how to promote good diets. It cannot be taken for granted that there is a spontaneous trend towards good diets: public policies are needed to promote them or, once achieved, preserve them. These public policies may include the informational policies typically advocated by supporters of consumer sovereignty, but also fiscal policies and, above all, they should seek to reform the structural conditions under which consumers make their individual decisions. Among these structural conditions, it is crucial that the state goes beyond correcting market failures and engages in promoting the emergence of a new food culture from below. As in other Western countries, such policies will be more feasible and robust with institutional reform that reduces the weight of the Ministry of Agriculture and increases the role of the Ministry of Consumption.

"Innovation drives dairy consumption. The most innovative products take our consumers by storm. At least, the battle for consumption is being won".

Elena Espinosa (Minister of Agriculture, Fishing and Food), 2004