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EEC: Agricultural Shake-up

The 44-hour marathon session of EEC Ministers of Agriculture, held to the accompaniment of virulent farmers' protests, ended in the view of the European press with a compromise. EEC Vice-President Mansholt however spoke of "a great victory". For his concept of a European agrarian reform, the Mansholt plan, has gained far-reaching acceptance. The Brussels decisions clearly indicate that the large-scale capital-intensive farming enterprise alone has a future. Thousands of farmers who went to the Belgian capital to stave off the worst will in the next few years be deprived of their livelihood. Thinking in terms of growth has evidently triumphed over the human and social wishes of the representatives of the agrarian sector.

The Ministers in Brussels have admittedly tried to mitigate the grave consequences of the restructuring process for the individual. They have therefore decided on a structural skeleton programme based on Mansholt as well as on moderate price increases of an average of 5 p.c. Farmers and agricultural labourers who leave their work are to receive the benefit of old-age pensions and land surrender bonuses. Those of them who want to learn another trade are to be given retraining grants and a guaranteed income during the period of retraining 50 p.c. of which will come from the EEC Social Fund. Land surrender bonuses and grants will be fixed by the member States according to common criteria; the EEC will contribute 25 p.c. of these payments in general and up to 60 p.c. in economically backward regions, chiefly in Italy.

Whether farmers can thus be induced more easily to forgo working their own piece of land will depend, not only on the retraining facilities and grants, but at least as much on what alternative employment is available in their region. As labour mobility exists only in the textbooks and heads of some theoreticians, it is crucial that more industrial jobs be created in farming regions. Thus alone can the restructuring measures yield the desired benefits.

The EEC expects Great Britain, Eire, Denmark and Norway to join by 1973. Britain in particular has shown relief at the moderate size of the price advances because this country will in any case have to accommodate itself to a big rise in prices when, five years after entry, it has to participate in the free exchange of farm produce inside the enlarged Community. On the other hand, the British accession is prompting its future partners in the EEC to speed their structural policy because Britain's farming enterprises, averaging 80 hectares in size, come up to the Mansholt demands already. Its relatively smaller rural population makes a proportionally much larger contribution to the GNP than the farmers in the EEC.

The present moderate price increase by an average of 5 p.c. could not, and was not intended to, solve the agrarian problem of the EEC. It has gained time for a new policy for the structure of agriculture for which criteria were formulated in Brussels, but its implementation is left in the national ambit. Hard bargaining must still be expected when concrete shape is given to the guidelines for the structural concept now decided upon. The best possible use must be made of the short span of time now gained if agricultural policy is not to suffer a *débâcle* in a few years' time. This however presupposes orientation towards a global growth strategy for all major fields. Agriculture cannot solve its problems by itself.

Hubert Höping