The Political Geography of EU Agricultural Policy Adjustment

Michael Winter

Paper presented to
International Agricultural Trade Research Consortium
"Adjusting to Domestic and International Agricultural Policy Reform in Industrial Countries"
Philadelphia, PA
June 6-7, 2004
The Political Geography of EU Agricultural Policy Adjustment

Michael Winter

Abstract

This paper provides an historical context to policy reform and agricultural adjustment within the EU, primarily through examining the development of policy concerns and issues in the UK. It suggests that, notwithstanding the emergence of a common policy for European agriculture there is still considerable scope for national, regional and local difference, based on the different cultural, political and geographical circumstances of member states. The paper examines how the underlying rationale for a common policy, built around the notion of family farming, is being supplanted by a new public justification for intervention based on rural development and agri-environmental distinctiveness.

Keywords: agricultural policy, political geography, CAP, rural development, regional, spatial.
INTRODUCTION

The aim of this paper is to provide an historical context to policy reform and agricultural adjustment within the EU. This is an ambitious task given the long time period and extent of political change during which policy has evolved. And a short paper needs a sharp focus even if its scope is broad. My focus is on what I have termed ‘political geography’. It seems highly appropriate to refer to geography in the context of agriculture because spatial variation lies at the heart of the policy challenge presented by agriculture, although this simple truth is not always acknowledged in policy debate. And space is also ‘political’ – it is organised into territories at different scales (nation, state, region, locality) and subject to varying jurisdictions. Moreover it is political geography in a broad sense that lies at the heart of contrasting policy imperatives over time and space. I would argue that a political geography approach allows us to interrogate agricultural policy from outside the narrow confines of an introspective agricultural policy debate. Thus in providing, as I have been invited to do, a view of the history of adjustment in the food and agriculture sector in the EU I wish to avoid the type of account – and mercifully they are fewer now than they used to be - that assumes that understanding agricultural adjustment requires no more than an econometric model factoring in commodity market and policy signals.

The approach I have chosen renders problematic a presentation covering the whole of the EU. My position, with regard to understanding food and agriculture, is to disdain the broad-brush overview of policy and adjustment that can be traced from EU official documentation because such aggregation so profoundly fails to address issues of political geography. As Murdoch and Ward (1997) have demonstrated for the UK, at a national level these macro statistics create false abstractions which hide underlying realities. But of course, these abstractions are in themselves political constructs and therefore are of great relevance to understanding what drives policy. So I am happy to talk about ‘EU agricultural policy’ or ‘EU agricultural politics’, but I am not prepared to conceptualise an ‘EU agriculture’, for there are many agricultures in Europe. Inevitably, therefore, I will draw examples, from specific places and because of my own research circumstances those places will tend towards the UK, and within the UK to England, and in England to the South West, and even within the South West to the county of Devon. And, yes, a small county has its own political geography of contrasting sub county local governance, spatially differentiated access to EU structural funds, differentiated market access and opportunity. And all this is mapped on to what used to be called ‘agricultural geography’ – the spatial variations of soil, topography, and climate.

A VIGNETTE OF POLICY ADJUSTMENT: A LONG VIEW OF THE UK EXPERIENCE

A political geography of the UK’s experience of the Common Agricultural Policy (CAP) within the European Union has to start not with the UK’s accession in 1973, nor with the Treaty of Rome in 1957, but a century earlier with the repeal of the Corn Laws in 1846. These protectionist laws, which dated back to the Middle Ages, presented a barrier to imports, of particular concern in years of shortage, such as during the bad harvests after 1836, which resulted in increases in bread prices. The fundamental issue at stake was the gathering political confrontation between the traditional landed interest and the urban-based interests of industry and commerce, dedicated to notions of free trade. The latter garnered some support from the embryonic labour movement concerned with consumer prices. The repeal of the Corn Laws represented the arrival, both politically and economically, of the new industrial and commercial interests. Thus half a century later Britain’s early industrialization, and the consequent shifts in political power, put it in the position of resisting agricultural protectionism when so many other
European countries adopted, or strengthened, that position in the 1880s and 1890s (Tracy 1988). This resistance held until the First World War. Michael Tracy (1982) suggests seven main reasons why the UK, alone among the major European powers, failed to adopt protectionist policies for agriculture during the late nineteenth century:

- Britain's lead in industrial production which favoured free trade;
- The influence of economic theorists such as Ricardo and Adam Smith;
- The political legacy of the anti Corn Laws agitation;
- The strength of the British navy;
- The food production of British colonies;
- The relative political weakness of the landowners as a result of democratic reforms;
- The absence of a coherent and united agricultural pressure group as a result of divisions between landlord and tenant and between arable and livestock farmers.

I would add a further point, linked perhaps to the final one, - the absence of a significant peasantry in most parts of Britain. With a few regional or local exceptions, such as in parts of northern and western Wales, a politics built around the peasant interest did not develop in mainland Britain. Ireland, of course, offered a stark contrast, one that contributed to a war of independence. The influence of the peasantry on the politics and culture of other European lands, notably of France, casts as long a political shadow as does Britain’s own history of agrarian capitalism.

Each of the factors set out by Tracy came under challenge in the early twentieth century, not enough for us to disregard their lasting legacy but enough to modify Britain’s approach and, indeed, to make the agrarian question, if not politically contentious, certainly on the edge of some wider political issues of considerable contention. The protection of agriculture in mainland Europe emerged either from a largely radical, albeit retrospective, peasant politics, or from economic imperatives associated with the rise of new specialized commodity production. In some countries, such as Denmark and the Netherlands, the latter was the main driver as ‘progressive’ politicians sought to protect market position. In others, such as France, the two forces combined – uneasily - and the influence of these twin drivers can be seen in the CAP as it emerged in the 1960s, and in the constellation of agricultural interest groups in both France and the pan-European farmers organization, COPA.

In Britain, the emergence of protectionism had quite different origins. The principles of free trade came under attack from some in the Conservative Party in response to a perceived need to promote preferential trading relations with the colonies of the British Empire rather than a desire to protect home production per se, whether of agricultural or industrial commodities. The dream of industrialist-politicians like Joseph Chamberlain was that the Empire as a whole would become a trading entity competing against other nations and protecting itself from ‘unfair’ competition through its own internal preferential arrangements (Zebel 1967). In addition, an important element was the increasing need to raise revenues for public welfare and military expenditure (Cain and Hopkins 1993). Thus the tariff reform movement led by Chamberlain represented a coalition of industrial interests, Empire enthusiasts, and the interests of those with landed wealth, offering “a programme of ‘social imperialism' designed to unite property with labour in the cause of empire and to head off the formation of a mass party dedicated to socialism” (Cain and Hopkins 1993: 203).

The judgment of the electorate was emphatic – the Conservatives lost heavily in three successive general elections in the first decade of the twentieth century to free-trade Liberals. Agricultural protection was dead, the divergence from the rest of Europe stark. It was rather less so after 1914 when Britain’s navy and its colonies proved inadequate to preserve food security.
Protection, or at least major market intervention, came about as a result of warfare but was rapidly dismantled after the 1914-18 War. Thus by 1921, price guarantees and state control had been disbanded; land reform had floundered through indifference and lack of cash; imperial preference was no longer on the political agenda. Politics was increasingly urban dominated and a party with no clear agricultural roots at all, the Labour Party, was now a force that could not be ignored. Superficially, the circumstances hardly seemed propitious for policy intervention in agriculture. Indeed the key changes appeared to be internal to the sector and responsive to markets. Agricultural re-structuring in response to market pressure occurred in both the 1890s and 1920s, in the former period largely through a shift from arable to specialist livestock production and in the latter through the break-up and sale of landed estates to tenants.

But something else was happening too - the increasing complexity of the state's involvement in the industrial capitalist economy amounted to a clear and dramatic transformation of society and polity from the Edwardian era. Thus Tomlinson outlines the rise of a "managed economy", showing how by the 1950s the economy was managed in "a manner inconceivable in 1900" (Tomlinson 1990: 9). Middlemas (1979) talks of the emerging "corporate bias" in politics, as the government increasingly drew upon the experiences of business and the unions in the management of the economy. And Runciman (1993) has identified a shift from one sub-type of capitalism to another, with the 1914-18 War as the watershed. It was these fundamental changes that provided the basis for a new-look agricultural policy, with agriculture becoming as much part of the managed economy as other sectors and modernizing influences predominating in the approaches of all political parties. The dominance of the new urban-industrial politics meant, not that agriculture was forgotten but, that it was treated to the same logic as the rest of the economy. Thus Andrew Cooper (1989) has demonstrated convincingly how during the 1920s the Conservatives threw off the legacy of what he terms "agrarianism", the belief that many more people could be employed on the land through the promotion of a new class of yeomen farmers, the Tory version of land reform. With the shedding of such romantic notions, notwithstanding the ruralism that continued to pervade much Conservative rhetoric, the way was opened for pragmatic economic management policies aimed at improving agriculture's contribution to the economy as a whole.

An emblem of this new approach was the Milk Marketing Scheme of 1933, which ultimately came to be seen as a bastion of unacceptable market distortion, so much so that under pressure from the EU it was repealed in the 1990s. By reducing, though common pricing, the impact of differential proximity to markets the Milk Marketing Board had a marked impact on the spatial distribution of dairy production. For example, the county of Devon, relatively remote from large urban markets, particularly in its most remote west and north, shifted its axis of production from beef-sheep to milk a shift that affected its ‘agri-culture’ so profoundly, and in terms of returns so positively, for the next half century. But initially marketing schemes had more to do with the interests of urban-industrial consumers than farmers, for milk was seen as a healthy food and it was a Labour government which introduced the enabling legislation in 1931 (Cox et al 1990). Nonetheless, the market weakness of farmers also appealed to those on the co-operative wing of the Labour Party, as to some Tories with corporatist leanings. Critical to the success of milk marketing was the National Farmers Union, whose emergence before the 1914-18 War put paid to another of Tracy’s barriers to protectionism. Not that the NFU was self-evidently protectionist. In the 1920s and 1930s it was either ambivalent or hostile to direct market interventions but it was fully engaged in the new managerialism, particularly around the issue of marketing (Cox et al 1991).

The 1939-45 War both strengthened the case for policy intervention in agriculture and cemented the role of the NFU in a corporatist-managerialist framework for agriculture. In the
1950s and early 1960s deficiency payments (as a safety net), capital grants to improve competitiveness (comprising between 40% and 50% of the agricultural support budget), and an emphasis on state sponsored research and extension, illustrate the deepening managerialism in agriculture. But, as yet, there was no full blooded protectionism with the potential to radically impact on world production and trade patterns. All that was to change in the 1960s for three main reasons. First, the UK began in the 1960s to prepare itself for membership of the European Community and, in particular, the emerging CAP. Secondly, the national obsession with the balance of payments problem and the decline of empire led many to succumb to protectionist import saving arguments. Thirdly, the NFU, largely as result of pressure from its members, had shed its disdain for more interventionist market measures. The cost-price squeeze of the 1950s, an explicit policy emerging from the corporatist deal between Government and the NFU was designed to enforce efficiencies and structural change on the industry\(^3\). But inevitably there was a time lag between policy adjustment and response across the whole of the agricultural sector and in that time lag smaller farm businesses suffered and political pressure to alleviate that suffering increased. Thus in 1963 import controls were introduced, the British Government, almost unnoticed, breaching “one of the basic principles of British trading policy since the repeal of the Corn Laws - that there should be an open door for imports of cheap foodstuffs, particularly from the Dominions.” (Wilson 1977: 14)

THE ‘COMMON’ AGRICULTURAL POLICY

But why such a detailed exposition of just one country’s experience for the century prior to its full engagement in the Common Agricultural Policy? The point I am seeking to make is that each country’s engagement with the CAP is rooted in its unique historical circumstances of politics, culture, economy and spatial organisation. The story I have sketched out for one member state can be paralleled for each. Each nation state, and each sub-region and locale has its own story of ‘difference’ and ‘otherness’ which makes de-constructing the meta-narrative of the CAP such an important task if we are to understand spatially differential policy adjustment both in the past and in the future.

The CAP is at one level a monolith but the ways in which member states have engaged with it, attempted to reform it, implemented it, are far from being monolithic. Few have analyzed this better than the anthropologist John Gray who has shown how the conception of a unified European Community “from a context of national boundaries, wars and political fragmentation required a communal space and common meanings for integration” (Gray 2000: 32):

The Common Agricultural Policy became the major vehicle for the construction of European communal space and the codification of European common meanings about agriculture and rural society that could be agreed to by people representing different member states. ..... the Common Agricultural Policy changed the image of the rural from a vague, indeterminate, national context-specific, improvised socio-linguistic practice to an objectified, publicly visible, formalized and generalized Community-wide representation of the rural that has the political advantage of enabling each member state to interpret it in terms of its national interest. (Gray 2000: 33).

Thus, lest any need reminding, Article 39 of the 1957 Treaty of Rome, provided for a Common agricultural policy with the following objectives, and their ordering is significant because of the inherent contradictions between them:
to increase agricultural productivity by promoting technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, in particular, labour;

to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture;

to stabilise markets;

to assure the availability of supplies;

to ensure that supplies reach consumers at reasonable prices.

Gray, building on earlier work by Bowler (1985), shows how the notion of family farming provides a crucial unifying symbol that could be bought into by countries with differing notions of family farming and agricultural structures: “family farming sustains not just rural society, but society as a whole characterized by the ideals of stability, justice and equality” (Gray 2000: 35). Add to these notions the underlying imperative of food security after the experiences of the 1939-45 war, and we have a recipe for a political edifice that has proved unwieldy and hard to reform. Indeed, it is twenty years since the imposition of milk quotas in 1984 marked the first major step in a process of incremental change that has culminated in the current reform package - twenty years of a painful and still incomplete process that has led to sharp differences of opinion within Europe, and between Europe and the rest of the world, around the so-called ‘European model’ of agriculture.

It now appears that the long shadow cast by post-war austerity is shaken. And with that unsettling so the rationale, or perhaps rhetoric, for public sector investment through the CAP has at last been re-cast in the language of ‘environmental protection’ and ‘rural development’. The discourses of ‘food security’ and ‘market management’ have finally been replaced by those of ‘public good’ and ‘competitiveness’. Gray (2000) argues that the 1988 European Commission paper, The future of rural society, marks a significant turning point in this respect, particularly because it began to re-spatialise European agriculture, albeit through a rather inappropriate urban-centric spatial model. Thus the report identifies three spaces of European agriculture: areas close to cities subject to “the pressures of modern life”, “outlying regions”, and “very marginal areas”. This new geography of rural Europe means that no longer is agriculture necessarily seen as the defining feature of rurality:

… it is also a place for environmental preservation in those areas where the price support mechanisms of the Common Agricultural Policy have led farmers to adopt intensive but ecologically damaging methods of agricultural production … This representation of rural areas for leisure and environmental preservation continued the moral-reproductive function of the earlier rural fundamentalist image that the Common Agricultural Policy originally envisioned for farming in rural society (Gray 2000: 43).

Thus the extent to which ‘family farming’ will remain an important symbolic discourse in the new policy arena is questioned, certainly for some areas. Family farming in the UK has never been such a dominant discourse as in some European countries and it is almost entirely removed from England’s Sustainable Farming and Food Strategy, produced in the aftermath of the Foot and Mouth epidemic, where the ‘social’ strand of sustainability is dominated by consumer issues not the cultural and social significance of farmers. However, in the marginal areas, described by the Commission as “rural in the extreme”, where there is a continuing heavy dependence on agriculture, a vision of agriculture still dominated by small scale family farming is presented:
The word ‘extreme’ is important … because it is a narrative form of distanciation as well as authenticity. Its use makes poorer agricultural regions … into a kind of distanced and marginal landscape - a museum-like place portraying the original image of rural space where family farming and a valued form of society continue to exist. (Gray 2000: 43)

The policies that have resulted from this re-spatialisation of the CAP are usually characterised as a shift from Pillar 1 to Pilar 2, from agricultural production to rural development. But they can also be constructed as a shift from sectoral to geographical policies. The region and the locale figure highly in agri-environment and rural development policies. They do so for a number of reasons.

**RE-SPATIALISATION AND THE AGRI-ENVIRONMENT**

The wider European politics of federalism and subsidiarity provide part of the story, as does the more prosaic issue of funding for deprived regions. In the agricultural policy community, as the desirability for mass commodity production diminished, so there has grown the realization that the European model, if built around public good, should be based on regional and local distinctiveness. This is reinforced by structural policy with Objective 1 and Objective 2 measures allowing for the emergence of new forms of rural and agricultural localism. This policy discourse was mirrored by changes in agro-ecological analysis and interpretation. Indeed the two trends – rural development and environmental protection – are, somewhat paradoxically, mutually reinforcing. Ecologists, and those prepared to publicise, and indeed politicise, their cause had spent the 1970s and early 1980s cataloguing the destructiveness of modern agriculture. The works of the period abound with the data of loss - of hedgerows, herb-rich meadows, jurassic grassland, heather moorland, (e.g. Lowe et al 1986). The unsophisticated critique of farming impacts on the environment led some commentators in the early 1980s to assume that turning off the tap of CAP support would automatically restore biodiversity. However, in the 1990s a powerful new, but rather more subtle, analysis of change emerged. Lamentation over agricultural impacts on particular habitats was replaced by a careful delineation of the relationship between farming systems and a mosaic of habitats and landscapes.

The identification of High Natural Value (HNV) farming systems is evident in a wide range of studies emerging in the 1990s (Baldock et al 1994; Bignal and McCracken, 1996). Research on birds in particular is well developed in the UK. This is largely a result of twin national obsessions in the UK for both gazing at birds and shooting them! Thus much research on birds is conducted and/or funded either through the voluntary bird conservation groups, mainly the RSPB and the British Trust for Ornithology, or the Game Conservancy Trust and much is concerned with agricultural habitats (Parish et al 1994). Thus we have research on the agricultural conditions associated with, *inter alia*, populations of blackbirds (Hatchwell et al 1996), grouse (Hudson 1995), partridges (Potts 1997), skylarks (Wilson et al 1997), lapwing (Hudson et al 1994), corn bunting (Donald 1997). The difficulties of analysing the precise relations between agricultural conditions and the status of bird populations has been well demonstrated by Chamberlain et al (2000) in work examining time series data for bird populations against a whole series of agricultural variables. The difficulty of using variables established for quite different purposes, the measurement of farm physical or financial output for example, in this way was one of the main findings of this work. Social scientists have joined the fray with attempts to demonstrate both positive and negative interactions between agricultural policy and environmental policy, leading to something of a re-discovery of place-specific policy effect, for example in my own work on beef cattle in local environmental management (Evans et al 2003).
This re-discovery of agriculture’s contributory role to landscape and biodiversity and, in particular, to regional and local distinctiveness has also contributed to the rapidly emerging agenda of regional competitiveness. In the south west of England, for example, the natural environment, primarily a product of agricultural practice, is constructed by the Regional Development Agency and other regional stakeholders as one of the key drivers of the region’s economy and features strongly in the Regional Economic Strategy. Business (re-)location and start-ups in the south west are linked in general terms to counterurbanisation, in which the attractiveness of the environment is a significant motivating factor (Halfacree 1994, Milbourne et al 2001). In some instances the links between new economic activity and the farmed landscape is more specific as with tourism and leisure enterprises and with food businesses built around regional, local or even site-specific brands. This latter development encompasses particularly well the growing sense of place that pervades agricultural and food discourses. According to Murdoch et al (2000), the ‘turn to quality’ within the alternative food economy, implies an inevitable demand for more “local” and more “natural” foods” and consequently “quality food production systems are being re-embedded in local ecologies. (p.108)”  

I have argued against the dangers of this approach being taken to imply too simple a convergence of what I consider to be competing strands of quality consumerism (Winter 2002). However, it is clear that for many farmers there is an increasing requirement to focus on on-farm particularities whether for alternative food markets, agri-environment scheme management agreements or other rural development schemes. Indeed, even for those farmers for whom national and international commodity markets remain central, the market is more differentiated than it used to be with, for example, retailers’ quality assurance schemes (Morris 2000) serving to differentiate agricultural space in new ways.

The re-spatialisation of agriculture is partly a result of changes in production and consumption imperatives. It is also an aspect of changes in modes of governance and, in particular, the regionalisation of policy within the wider context of the European project, what Jessop (1997) has termed the denationalization of the state, or ‘hollowing out’, as central state functions and capacities are reorganised territorially and functionally both sub-nationally and supra-nationally. For example, as Ward et al (2003) have commented “the evolution of the RDAs role in rural development can be understood as a key element of a move away from a national conception of rurality and a national approach to rural policy” (p211). Thus over the past two years, each region in England has drawn up its own delivery plan for the national Sustainable Farming and Food Strategy. And within each region there are sub-regional initiatives too. In the south west the Regional Development Agency has spawned a number of local initiatives. Each county has a Rural Renaissance programme. Smaller communities have been encouraged to produce their own visions and plans through the market and Coastal Town Initiative. The top-down approach to rural development, implicit in Pillar 2 programmes, is now confronting bottom-up versions of rural futures.

CONCLUSIONS

What I have sought to do in this paper is sketch out some of the key political and geographical ideas which I consider to be essential or an understanding of policy adjustment. I have deliberately avoided any detailed comment on current CAP reform - the move to the Single Farm Payment and cross-compliance, the notion of de-coupling, and the ‘return’ to the market. I consider these reforms to be both radical, as opposed to earlier incrementalism, and likely to further national, regional and local distinctiveness. Nor have I considered the countervailing forces of globalization. It may surprise some of you, given the emphasis I have given to spatial variation, that I recognize both the reformed CAP and globalizing forces as of huge importance to
policy and structural adjustment in European agriculture. CAP continues to provide the lion’s share of public financial resources flowing into rural areas. Globalised markets in both food and input chains are remolding sectors of agriculture. But it is the overwhelming view of those who have studied globalisation, particularly in the agro-food sector, that responses to these globalizing forces vary spatially. As Cook and Harrison (2003), put it in the very different context of a study of Jamaican food companies, “capitalism is not a monolithic cultural/economic system but is, rather, multiple, fragmented, dynamic, locally diverse/hybrid and peppered with creative possibilities for achieving the (theoretically) unexpected.” (pp.313). So too in the context of unfolding European policy adjustment the message from my paper is to expect the unexpected.

---

1 Michael Winter is Professor of Rural Policy and Head of the School of Geography, Archaeology & Earth Resources at the University of Exeter, UK.
2 This section draws on my work on the history of agricultural policy carried out in the early 1990s: Winter 1996.
3 Structural change was eventually achieved with remarkable effect – average farm size had remained static for a century until the 1960s when significant amalgamations began: Hine and Houston 1973.
REFERENCES


