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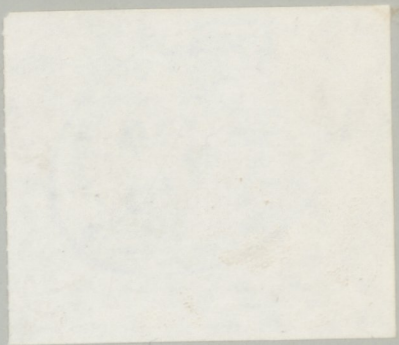
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Smallfarming and the Nation

Edited by RB Tranter

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Europe's working farmers

Bryan Carr

INTRODUCTION

I make no apology for the choice of title for, like so many of your members, I am also one of Britain's working farmers. My task is not to defend our record; there is no need for we belong to an industry that is the largest in Britain and which achieved an annual increase in productivity of about 5% over the last 30 years.

Having said that let us not become complacent. We are now members of the EC. Should anyone doubt the wisdom of joining in the first place or now wishes to withdraw, they ought to forget it! When the Soviet Union entered Afghanistan, that was also the day when the free countries of Europe decided that they would, under no circumstances, allow any difference of national interest override the principle of the unified security of the Western World.

CHANGES IN THE CAP

Therefore, we working farmers must concern ourselves with the full integration of our agriculture with that of mainland Europe. The imminent entry of Greece, Spain, Portugal and later Turkey to the EC, makes this no simple task. Why? Because people with differing incomes, life-styles, farming practices, climate and politics will have to co-exist and co-operate with each other.

Examples of the disparities between member states are numerous. In the UK we have comparatively large farms with high capital investment in buildings and machinery, longer winters and rely heavily on bought-in cereals from outside the

EC. In contrast, Holland, Denmark, and West Germany have on average, smaller farms, higher wages for farm workers and a greater reliance on agricultural exports to other EC countries. France and Italy have wide internal differences between north and south to contend with and their farms are even smaller in many places. The potential new entrants all have weaker economies, lower farm incomes and their farmworkers are paid little more per day than ours receive per hour.

I believe reform of the CAP must be accelerated for in its present form it is reaching the end of its useful life, and as a result, is suffering from increased wrangling over legal and financial matters. The present policy should be replaced by a system that would leave each member state the task of delicately balancing their own inter-community trading, and be subject to the decision of the European Parliament whenever a dispute arises, as for example, the dispute over lamb with the French! National government support measures for agriculture should be dealt with in the same way, with the European Commission being responsible only for external agricultural policy on a similar basis to that used at present. Monies collected from external EC levies should be used for a comprehensive regional policy; this would be even more applicable with the advent of new members joining the EC. Intervention should continue to be financed by contributions from member states as at present. Providing intervention levels were set not in excess of cost of production in each member state and if there was a penalty mechanism for excessive misuse, this method of providing reserve stocks of food would not attract the wrath of taxpayers.

Following my visits to many European countries, I am satisfied that a higher food price philosophy is right for the UK used alongside a control on the money supply, and is more acceptable, and indeed more effective, than higher personal taxation and high interest rates in achieving an overall economic recovery.

CHANGES IN FARM STRUCTURE

To achieve everything I have said so far, and I am concerned with our own individual as well as the national situation, demands a new and urgent look at national land and farming policies. It is not necessary for me to spell out or even remind you of the present situation. British agriculture cannot isolate itself from the wider issues facing European agriculture, nor can the human element involved in food production be divorced from that of the consumer either. But the real test we face, is that of farm structure, energy and money. Almost without exception, European farming is carried out by families working full or part-time, supplementing their incomes by off-farm employment, often in industry. In contrast, we in the UK have moved towards bigger farms and full-time agricultural employment with the assistance of government grants and tax

allowances aimed at providing cheap food and easing urban expansion. Planning policies are equally designed to that end. Having said that, I am not proposing a policy for industrial revival.

So far as agriculture is concerned, I am prepared to be positive and outspoken in achieving harmonisation with Europe in a way that is acceptable to the majority engaged in agriculture. In my view we shall have to move some way towards their farm structure, Holland being the best example, or rely on our own government bailing us out, which appears an unlikely option!

Many UK farms are getting too big and our costs are high, mainly because less of us are actually involved in a purely productive role. In contrast, European farmers are almost without exception working themselves, some doing two jobs. To compete, we shall have to follow suit, perhaps making up our minds whether we want to farm or manage men. It will take some time to achieve the necessary changes without too much sacrifice. Farm-size can be restricted by law, taxation or by economic manipulation — I wonder which would be the most unpleasant? In Sweden, Denmark, Holland and France, a mixture of these measures has effectively created holdings that are viable and more self-sufficient than ours are. The methods used are familiar; loans pitched toward new entrants and unviable holdings and a restriction on the amount of land or farms one person may own. In France and Denmark, farmworkers' pay is set at the same level as skilled industrial rates. Such measures would have a dramatic effect on UK farm size as they have in Sweden, Holland and West Germany. Perhaps the high cost of machinery and fertilisers will achieve the same result here! The British Government is beginning to respond by restricting grants to £100 000; inflation will effectively reduce that downwards. Capital taxation, if applied equitably to all landownership will have a similar effect. But the criteria must be self-sufficiency and viability, from individual family farming commitment.

I am well aware there are tremendous vested interests in land and farming, and thus any changes will be resisted. But we are not likely to cope with our farming partners in Europe if we continue down the present path of high energy cost/low human input systems. There must be a shift to a more realistic level of farming, bringing satisfaction to those already actively farming and to those unable to farm because some farmers use more land than is required to obtain even the highest standard of living within the taxation system. To achieve all this demands that we take a new and urgent look at national land and farming policies. But one fundamental principle must not be overlooked; we are a nation of individuals and should realise that ambition before we have no choice.

MARKETING IMPROVEMENTS

Finally, I want to mention something dear to my heart — the part of our great industry from 'Farmgate to Consumer'. We have as you know various marketing boards and co-operatives, all of whom within their own sphere bring greater stability and prosperity to UK producers. But the time has come to bring them together. Not just on the political platforms in Brussels and in COGECA, where we should already be in strength, but in the market place for British farm products. No one producer organisation can by itself either defend or be totally successful in every part of its own branch of our market for food. A degree of co-operation is urgently needed to expand, finance and manage all the links of the chain reaching to the consumer.

I am not proposing some monument to the ideal, but a commercial appeal to bring about what amounts to a concerted effort by producer interests into the food processing and marketing field under the banner United Kingdom Farmers (Food) Limited. All this may seem a long way from your own farms, but if we produce it right, we must sell it right!

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