

Building the Common Agricultural Policy of the Future: a Responsibility Towards Society as a Whole.

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The trends characterising the world economic scenario in recent years have led to a great deal of debate about the developmental models of modern society. Intense economic growth has produced a progressive impoverishment of natural resources and a definite increase in the levels of pollution and of greenhouse gases, the main causes of global warming. In this way the imbalance between the exploitation of resources and their ability to renewal has become increasingly important in international politics, and has created concern not only about the short and medium term situations, but also about how to create and guarantee the well-being of future generations. This imbalance has already had very evident social and economic effects, often with very strong impacts, on the world population.

We have just come through a historical stage known as the «food and energy crisis», which has meant that large numbers of people in the world have become increasingly vulnerable in terms of health and food. The increased cost of «raw materials» between 2003 and 2008 has increased the numbers of people suffering from malnutrition, and has made us realize that we will have to face a future characterised by increasing levels of uncertainty and risk.

There are very many questions about the relationship between economic growth and available re-

sources, widely debated in economic literature. As in the past, technological progress should play a fundamental role in ensuring adequate responses in terms of the productivity of resources, and of increases in population and consumption. However, the future will be much more influenced than was the past by the issue of sustainability, and this is where agriculture may play a decisive role. In this situation it is also necessary to consider the impact of the increased instability of the present markets for agricultural foods, which will probably also characterize those of the future.

There is agreement that the challenge for agriculture will be that of increasing productivity within a framework of environmental and social responsibility, creating less pollution and raising the quantity and quality of the service rendered to society. Farmers are responsible for the management of vast areas of European territory and can give an extraordinarily important contribution to the production of public goods and services, starting with efforts to combat global warming: in their daily work they can favour the capture of CO₂ by agricultural and forested land; they can carry out good practices in managing water resources; they can safeguard habitats, biodiversity and the landscape; and they can produce energy for society from renewable sources. As Europe is the world leader in agricultural food output, when it comes to designing its agricultural policy for the future it also has an important responsibility at world

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level. The future CAP will influence the development of other international agricultural policies and will determine the definition of future international trade agreements.

Today, as citizens and policy makers, we are called upon to give substance to our vision of the future. The process of designing the post-2013 CAP is an important opportunity to give an adequate response to the challenges faced by Europe and the world as a whole. This is an opportunity which needs to be faced in awareness of the responsibility involved. This implies enhancement of the European orientation regarding competitiveness and sustainability¹ and the efforts made in thirty years of CAP reforms, in order to find the most effective response to the great challenges we face.

As experts have recently stressed, the combination of these elements may provide a sufficiently organic framework for directing decisions and responses to future challenges. On the other hand, the aims of Article 39 (now Article 33) of the Treaty are still of present-day relevance. Today the aim is still to guarantee the safety and stability of agricultural products at reasonable prices, and to promote productivity. If we then link this with the new set of conditions (liberalization of markets and environmental sustainability) and the new opportunities (production of environmental and social goods for society), we will have a strong – and hopefully shared – reference framework in which to launch a generation of renewed policies for agriculture and rural areas, policies which will be as stable as possible.

Only a vision of this kind can legitimate the CAP of the future and make it possible to complete the process launched by Ray McSharry in 1992, aimed at aligning public intervention in agriculture with the expectations and needs of European society.

This process involves some key points on which to base the adaptation of European policy for the medium to long term:

1. Production of public goods promoted by encouraging increased targeting of direct payments, graduating the amount according to the standards achieved (single equal payment for all those reaching a minimum standard, and rewards for further achievement).
2. Rural development promoted in its diverse components and structural interventions in the production system encouraged in order to increase efficient use of sensitive resources (water and energy) and encourage the use of renewable resources. Rural development policy should continue to be a pillar of the CAP, separate and independent of the first. This policy is planned to cover a period of years, so this structure gives the member States the flexibility they require to put it into practice, to link it to the specific local needs and to align it with other interventions aimed at local cohesion.
3. The quantity and quality of agricultural food production guaranteed as adequate to meet the needs of European society and may contribute to meeting the increasing world needs of the next few decades.
4. Continued reduction of interventions to protect markets and support prices, but guaranteed possibility of timely and adequate measures to defend from production and price shock.
5. Promotion and support to give farmers access to modern risk management tools.
6. Structural and organisational growth of the productive sector encouraged at the same time as its social and environmental sustainability.

² Reference, in particular, to the strategic directions defined with the Lisbon and Gothenburg summits.