

From: gw@guardian.co.uk

Editorial / Agriculture subsidies: Another countryside

Agriculture subsidies
Another countryside

A little bit of history was made last week when the government finally published details of the £1.7bn (\$3.2bn) in support payments that farmers and agricultural companies in England receive from the taxpayer. The most glaring subsidy was more than £120m received by Tate and Lyle in a single year. According to Oxfam, this was mainly in export subsidies, which enabled the company to dump excess production on world markets, thereby preventing poor countries from competing. Other recipients read like a roll-call from Debrett's: the Duke of Westminster (£799,000 over two years), the Duke of Marlborough (£1m over the same period) and the Duchy of Cornwall (£30,000).

Two questions arise. The first is why payments of this kind by the taxpayer to subsidise agriculture were ever regarded as secret. In the US such details can be read on an official website. The second, more important, question is why are we paying these subsidies at all? Globally, governments shell out \$350bn a year -- equivalent to 32% of farming revenues -- to get domestic farmers to grow crops that often could be produced more cheaply by poor countries, generating huge job opportunities.

One of the worst abuses is Europe's sugar regime, from which the likes of Tate and Lyle earn big profits. According to Oxfam, the EU spends ,Ç3.30 to export sugar worth ,Ç1, a 300% subsidy that would be laughed out of court if applied to any other industry. The World Bank says that sugar costs 25 cents per pound to produce in Europe compared with 8 cents in India and 5.5 cents in Malawi. If Europe gave up sugar production, then everyone would gain, not least some of the poorest nations in Africa.

It would be nice to think that the UK figures, showing that most of the subsidies go not to small farmers but to large agribusinesses and wealthy landowners, would at least kick off a serious debate. Europe needs a long-term programme to phase out subsidies and to use part of the money saved to manage the countryside in the interests of ordinary people. They are not even getting improved access rights to the former farming land that is supposed to be being managed in their interest.

The Guardian Weekly 2005-04-01, page 13