Mark Johnston 01/05/2007

Agriculture Essay

Show with appropriate examples how political influences can affect agriculture in the Developed World.

The government plays an important role in controlling the farming industry. As a result of this it is the government which make a lot of the major farming decisions in the Developed World. The ways in which the government can control agriculture vary depending on what outcome they want.

When the UK joint the EU (European Community when the UK joint) in 1973 it was gives 5 years to adjust to the CAP (Common Agricultural Policy). Now as a result of this the farming industry in the UK is greatly influenced by the EU and the policies which they enforce. This also means that many of the policies are the same for all of the member states of the EU.
The aims set out by the CAP are:

1. to increase agricultural productivity and to improve self-sufficiency
2. to maintain jobs on the land
3. to improve the standard of living of farmers and farm workers
4. to stabilise the food markets
5. to keep consumer food prices stable and fair

Some of the government policies to control agriculture are subsidies, quotas and set-aside. These are discusses below.

Subsidies are used by the government to guarantee farmers a minimum price for their produce. This in economical terms mean that farmers do not produce too much that cannot be sold. This happened after World War II in Britain when farmers were told to make more produce. This lead to a surplus in produce, especially cereal crops and milk which got named ‘lakes and mountains’ because there was so much in storage.
Subsidies also provide a fair consumer price for the product because the farmer gets money for producing the crop so does not need to push the value of the product up to get a higher profit.
This is suited to the CAP because it provides farmers with greater income which improves the standard of living for farmers and farm workers and also it helps to stabilise the food markets which keeps the consumer food prices stable.

Quotas are government policies which control the amount of a particular product that the farmer is allowed to produce. This is a way where by the government gives the farmer a target amount of produce which he is allowed to farm. If he goes over his target he has to pay a levy on the surplus produced. This way of manipulating the amount of produce is used by the government to cap the amount of produce created nationally. Without it there may be surplus leading to the ‘lakes and mountains’ experienced in the 1960s.
An example of quotas are the milk quotas that are set out in Britain by the government. They were created in 1984 to reduce the milk output, and although they had reduced the amount of production by 20%, the amount of milk being produced in 1992 was still a further 20% over the amount being consumed.
As well as having milk quotas there are quotas for sugar beet and some cereal crops.

This is of use to the CAP because it helps to stabilise the food markets.

Set-aside is the response that the government has to surplus amounts of cereal crop. This involves the farmer putting 20% of his cereal crop land out of use for 5 years. However instead of growing cereal on the land he is allowed to use it for other profit making purposes such as planted with other crops, recreational purposes or the rearing of livestock (which is not a commonly used option). This idea of this policy is to lower the amount of cereal that is created, however it is criticised by many because it costs the government a lot of money, and the farmers make more money on the land by often using it for purposes which locals object to.
This policy is of value to the CAP because it helps to stabilise the food markets, however it could be questioned as to whether it causes jobs to be lost on farms. This goes against what the CAP sets out to do.