

# The Territorial and Production Disorder Caused by the European Union's Common Agricultural Policy

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**Abstract:** *The new rural strategies taking place in the European Union (EU), having eradicated the philosophy behind the creation of the Common Agricultural Policy (CAP) are creating genuine territorial disarray in production terms in a situation that has been developing for some time since its reform was implemented. The discourse on the environment and rural development as part of community policy for the immediate future are no more than a worn-out disguise which is becoming unable to conceal the wave of liberalisation sweeping agricultural markets and the selection and specialisation of more competitive operations, abandoning family production units in its wake. All of this is accompanied by concentration of production in the most profitable regions and the clear marginalisation of less favourable areas.*

**Keywords:** CAP, EU, productive and territorial disarray, market economy, family farming.

## 1. Introduction

The dogma of deregulation and *laissez-faire* remains the prevalent idea among the Brussels authorities, which implies a firm commitment to the reduction of any form of public regulation, a decoupling of aid and a dwindling of solidarity among member states and regions, the latter being tantamount to a renationalisation of agricultural policies.

The starting hypothesis is that production and territory are organised in the name of efficiency, though it is no less true that attempts are made at marginal correction of the more evident damage in the name of rural development, recognised as the second pillar of the CAP.

With these objectives on the horizon, the methodology used is holistic and dialectical since, as regards the former, Europe's rural territory constitutes a system whose elements do not play an isolated role in the urban-rural dialogue (agricultural and livestock production, sustainability and environmental conservation, natural resource management, rural employment, agri-food trade, food safety, and land planning and regulation, among others). For its part, the dialectical method is grounded on a certain vision of the world and human societies, based on

the contradictory nature of reality, and consists in the application of a number of fundamental arguments aimed at highlighting the essential and revealing the internal structure, the evolution and interrelationships of processes.

Therefore, the ideas analysed here under the prism of the aforesaid scientific method belong to a line of thought underpinned by the argument that the market economy has an unparalleled capacity to generate wealth, but also to concentrate it among certain social classes, activities and territories, to the detriment of others. Capital thrives on disorder and imbalance in order to obtain profits and then accumulate and breed more capital. The new CAP reform (2014-2020) has the effect of consolidating this state of affairs and establishing starker contrasts between the north and south of the EU and between family farming and commercial, capitalised agriculture.

## **2. The imbalances caused by the CAP**

### **and its reforms**

The CAP has been the basic foundation supporting the progressive construction of Europe, as well as the only policy that is truly common to all member states. Agriculture in the EU is regulated by the CAP, whose original aim was the improvement of agriculture and the achievement of territorial balance and socio-economic cohesion in the different regions of the founding members through the promotion of agriculture. The Treaty of Rome (1957) and the Stresa Conference (1958) laid down the foundations for the CAP. The founding members were Germany, Belgium, France, The Netherlands, Italy and Luxemburg, and these countries implemented, as one would naturally expect, an agricultural policy suited to their needs and for their own benefit. However, most of the available financial resources were devoted to protecting and subsidising what were termed continental products, namely beef, dairy products and grains.

The CAP is a European-wide public intervention strategy whose original purpose was to promote the consolidation of social and economic development in rural areas and ensure self supply of farm products in accordance with the following basic principles: the unity of the European market, preference for European production, and financial solidarity among member states. At the same time, as is well known, it pursued five fundamental goals: increase agricultural and livestock productivity, ensure sustained income levels for farmers, stabilise markets, maintain supply at reasonable prices for consumers, and assure the security of food supply.

The CAP's success, which soon turned the EU into the world's second exporter of agri-food commodities and products while it transformed farming into a protected and subsidised activity, would turn against the European Union itself as time passed and the world economy evolved. It has been increasingly contested due to a conjunction of different exogenous and endogenous factors: enormous budget costs, chronic surpluses, constant protests by agro-exporting countries (both developed

and underdeveloped), reprisals by the United States and the Cairns Group, constant pressures from international economic-financial (International Monetary Fund and World Bank) and trade (World Trade Organisation) bodies, soil erosion, and increasing air, soil and water pollution, among other negative effects.

All these problems led to a reform of the CAP in 1992 and to a shift from the traditional "agrarian" and production-based discourse to a more "rural" and sustainability-based one (Segrelles, 2007), underpinned by a number of strategies pursuing the multifunctionality of the rural world, the pluriactivity of farmers, sustainable rural development, and the quality of food products, among others.

European programmes aimed at promoting rural development, regional equilibrium, the improvement of underprivileged and mountain areas, extensive crop and livestock farming techniques and concern for the environment and ecology would perhaps have taken longer to become known and widespread had it not been for international pressures associated with the progressive liberalisation of world trade, together with purely economic issues within the EU itself. A virtue has been made out of necessity, a virtue that is publicised ad nauseam. Chronic surpluses and the enormous budget costs of the EOGFA constitute the main factors leading to the awakening the ecological and environmental conscience of Brussels.

### **2.1. The 1992 Reform, the Cork Declaration (1996) and Agenda 2000 (1997)**

Behind every agricultural model there lies a theoretical model, or paradigm, underpinning and supporting it. Such a paradigm is not unique or stable, and since the early 1950s it has experienced, in the European case, a distinct evolution from a purely production-based approach, focused on the modernisation and profitability of farming, to the current views advocating an integrated, comprehensive, interrelated, sustainable and multifunctional approach to rural areas. Undoubtedly the future of farming and of rural communities

depends on the revision of the dominant paradigm and the role that such paradigm, driven by certain interests, reserves for crop and livestock farming operations and land.

Following the 1992 reform, the object of the CAP revolves around achieving production efficiency and the competitiveness of European farming in international markets through the reduction of production, surpluses and budget costs. As pointed out by J. Romero and J. Farinós (2004), this shift in farming policy is based on the establishment of several financial incentives for the reduction of food production in order to reduce the surpluses generated by industrial farming operations and sustain traditional rural areas, where the social and economic role of farming is steadily fading.

Within this context, it is evident that the rural world is gradually ceasing to be exclusively the world of farming, so much so that in a very few decades it has gone from representing a production factor to being regarded as a consumer product that can be bought and sold like any other good. While in the past the main sources of income in rural communities were agriculture, livestock farming and forestry, and what society required from the country was above all commodities and agri-food products, in recent times demand has gradually arisen for goods and services other than strictly agriculture and livestock-related ones. Under the new paradigm the rural world is assigned other functions aside from the traditional ones, leading to an increase in the functional, economic, social, demographic and cultural complexity of the rural world.

The first CAP reform coincided in time (1992) with the United Nations Conference on Environment and Development held in Rio de Janeiro, otherwise known as the Rio Summit, where the concept of *multifunctionality* was used profusely with regard to agriculture and rural spaces (Segrelles and Vásquez, 2012).

The EU quickly took up the concept of rural multifunctionality as the banner of its CAP reform in 1992, and this concept was further consolidated and disseminated through the Cork Declaration in 1996 and the so-called Agenda 2000 one year later, a document that laid down the EU's basic economic and financial criteria for the 2000-2006 period.

In 1996 the EU member states approved the Cork Declaration, an agreement that proclaimed the need to replace compensatory payments to farmers with new direct aid lines. The basic tenets of the Cork Declaration held that the new European policies should be based on diversification, simplification, sustainability and an integrated approach to rural development policies. In other words, the Cork Declaration in fact marks the beginning of the European debate on a change of paradigm within the CAP and the coming into existence of a rural policy under the criterion of multifunctionality. The aim was to combine, through this new approach, the food production function with other activities that would assure the preservation of the social fabric, the conservation of the environment and the improvement of the living and working conditions of the rural population. Consequently, such changes implied that the rural world would undertake the production of tangible market goods as well as intangible public goods or services associated with citizens' welfare and environmental conservation.

Unlike in the first period of application of the CAP, the rural world has lost considerable social and political weight and ceased to be a source of votes for ruling parties, especially following the urbanisation of European countries in the 1970s and 1980s. This is one of the main causes for the change in the CAP model in 1992. According to J. Pliego (2002: 220-221), such a state of affairs caused the rural world to be characterised by the existence of "deficient farming structures, few job opportunities, inadequate infrastructure and equipment, scarce diversification of the economic structure, social devaluation of farming activities and abandonment of the country by the younger and more dynamic sectors".

The establishment of the new development policies is based on adding value to rural and inland areas mainly through the promotion of tourism and services. However, scant attention is paid to the fact that farming has represented the main source of wealth for these non-urban areas, that it maintains a landscape and culture that is now being exploited from another standpoint, that it is the only element tying the population to the land, and that without farming there would be no population, landscape, culture or values. Rural development must be based on agricultural development. Without agriculture there can be no rural world or rural development, and the rural world will

ultimately be transformed into a peri-urban, urbanised world for the use and enjoyment of the urban population.

Within a clear context of fighting against the surpluses and unsustainable budget costs of the agricultural policy on the one hand; and of the progress and globalisation of the economy and the liberalisation of world trade on the other, the CAP reform and subsequently Agenda 2000 (1997) came as an attempt to adapt to the new surge of global capitalism through output reductions (quota policies) and subsidised prices (direct farmer income support policy).

These initiatives have greatly affected southern European countries, especially Spain, since both the EU's first CAP reform and Agenda 2000 have tended to favour larger operations and continental farming systems (beef, dairy products and herbaceous crops) as opposed to smaller family farms and Mediterranean agriculture (wine, fruit, garden vegetables, tobacco, cotton), respectively. However, D. García Brenes (2009) holds that continental products currently contribute more to the EU's overall agricultural and livestock production than they receive in CAP aid, while the converse applies to Mediterranean products.

In any event, the so-called Agenda 2000, which approached the future of the EU from an economic-financial standpoint for the 2000-2006 period, only pays cursory attention to Mediterranean crops, while it devotes more space to and deals in greater detail with continental products. Even the profusion of trade agreements signed by the EU with third-party countries in recent decades has had a central impact on Mediterranean farming, since said agreements have been entered into with direct competitors, i.e., countries (Israel, Turkey, Tunisia, Morocco, South Africa) that generally grow the same type of products as Spain, Portugal, Greece and southern Italy.

Likewise, Agenda 2000, which in fact is a reform of the 1992 CAP reform, does not provide for any measures to rationalise farms, still fails to firmly support a structural improvement or a tax policy to mobilise the land and neglects to incentivise co-operatives and the transformation of agricultural and livestock products, or even promote their marketing. However, it devotes generous budget resources and ascribes a major role to the so-called agro-environmental instruments as a means of promoting

the sustainable development of rural areas and meeting the growing demand for environmental services on the part of society (European Commission, 1997).

All this is the logical answer to capitalism's need for accumulation, development and reproduction, as well as the exact fulfilment of the theory of unequal exchange (centre-periphery) within the EU itself, to the benefit of northern Europe's flourishing economies. Such a "mission" can now be accomplished by eliminating not only marginal farming operations, but also those less well endowed to cope with the existing fierce competition and not useful to the system. Current crop and livestock farming technology allows a few companies to dominate the production market and meet the food requirements of the population. In any case, there is always the possibility of importing agri-food products at low prices from underdeveloped countries, which is the strategy followed by the EU in recent times, at least with regard to high-protein vegetables. (Segrelles, 2010).

According to the Coordinator of Farmers and Livestock Breeder Organisations -COAG (2004a, 2004b), Spain's rural development policy throughout this period has been characterised by its uneven effectiveness, since some measures were more successful than expected while others proved markedly inadequate. Moreover, COAG deems that the efficiency of the rural development policies implemented has not been optimal when one considers the relationship between the means employed and the results obtained. Said workers' union highlights the environmental benefits undoubtedly brought about by this policy over the period, while pointing to the scant social and economic development achieved, and hence the persistence of the problems identified during the early stages of its application.

## **2.2. The 2003 and 2008 reforms**

The 2003 reform also took place in the years immediately prior to the end of the WTO round of negotiations. Such a curious coincidence was also premonitory of the nature of the specific proposals and in particular the measures approved in June 2003. Added to the strong pressures of the WTO was an

internal situation marked by the enlargement of the EU to 25 member states. This meant the freezing of the EU budget allocated to agricultural markets at 2006 levels for 2007-2013, a budget which now had to be shared between many more members.

This situation is clearly influenced by the fact that the agricultural output of the two trading superpowers – the US and the EU, only accounts for 2% of their respective GDP. The pressing needs of economic growth and job creation led the two powers to a clear strategy: increase the exports of industrial services and products even if this means having to import more food products. In general terms this can be said to have been the central aim of the successive PAC reforms since 1992, of the amendments to the US Farm Bill since 1996, and of the agreement on agriculture reached within the WTO and which saw its inception in 1995. This is a priority goal and has prevailed at all the meetings of the so-called Development Round or Doha Round (Doha, 2001; Cancun, 2003; Geneva, 2004; Hong Kong, 2005; Geneva, 2006 y 2008), even at the preliminary meeting held in Seattle in 1999.

The CAP favours and promotes production for export to and competition in world markets, since its core structure has not changed in essence since its foundation in 1957, according to P. Galindo (2009). This agricultural policy seeks to favour EU agri-food products in all markets by means of several mechanisms, such as minimum prices, customs tariffs to protect its products from competition by third-party countries, and export refunds aimed at enhancing the competitiveness of EU products in world markets. The CAP therefore favours a contradictory and antagonistic model of agriculture, which calls for the constant promotion of productivity and larger, more intensive and capitalised operations, while at the same time marginalising family farms, although its official discourse claims to defend them and describes them as the goal guiding its strategies. The rationale behind the CAP since its inception is identical to that driving the WTO, namely the liberalisation of trade in all kinds of goods and services and the pursuit of modernisation at all costs in the agriculture and livestock industry with a view to increasing productivity, giving precedence to such aim over any other consideration of an environmental, territorial or social nature.

In line with these considerations, the new CAP, approved by the Council of Agriculture Ministers in June 2013, is based, according to M. Soler (2005), on three instruments: the decoupling or dissociation of aid payments, the notion of (eco)conditionality in agriculture, and the modulation of aid payments. Added to this are new operating principles – flexibility and budgetary discipline. These measures are by no means unrelated to the latest WTO negotiations, which adhere to the same precepts almost to the letter.

It is said that these strategies are geared towards a break away from productivism and towards a more eco-friendly outlook, but in reality this is beset by certain contradictions. The first consequence of the calculation of the single payment, based on the amounts received in the 2000-2002 reference period, is the consolidation of the CAP's historical productivism, benefiting larger-sized farming operations. The historical source of inequality in the distribution of aid is thus maintained to the benefit of larger-sized farming operations, while at the same time exerting competitive pressure on small and medium-sized ones which, in view of the lower level of public support they enjoy, will continue to pursue their subsistence by raising productivity. In any event, the application of the CAP in recent years has clearly led to the closing down of thousands of small and medium-sized farms. According E. Vivas (2009: 56), 147,000 family farms disappeared in Spain between 1999 and 2003 alone, leading to the depopulation of rural areas, their impoverishment and the disappearance of basic public services, in clear contradiction with EU's rural development policies, discourse and programmes.

Moreover, the aid payments dissociated from production proposed by the CAP are incomplete. On the one hand, the legislation provides for a certain amount of *à la carte* dissociation, which gives the member states the option of applying partial decoupling based on different percentages for certain products. Moreover, the incompleteness of such dissociation is also evidenced by the maintenance of sectoral elements for certain products such as rice, hard wheat, nuts or legumes for human consumption. Likewise, the so-called asymmetrical decoupling on a regional basis allows for a review of the amounts of decoupled aid payments to regions,

thereby opening the door to greater regional differences in farm aid.

This (eco)conditionality also fits into the concept of multifunctionality of agriculture, whereby aid payments would increasingly be linked to environmental quality rather than productivity. In the light of the actual facts it would rather seem to be an excuse to continue subsidising agriculture without a firm commitment to sustainability or equality.

As regards the mandatory modulation of aid, this CAP reform was preceded by intense debate on the distribution of aid payments. The small and medium-sized farmers' organisations have for many years called for social modulation of aid in favour of small family farms. However, such an approach to social modulation was not the one adopted in the new CAP reform. The EU regards the modulation of aid as the transfer of resources from direct production-linked aid to rural development measures. At the same time, the requirement for co-financing of the rural development policies by member States has been strengthened to such an extent that such policies will be contingent on the possibilities of the different countries, thereby opening the door once again to imbalances between countries, especially if, as has been stipulated, 80% of the funds released by the reduction of production-linked aid will remain in the country where they are generated, thus consolidating the unequal distribution of aid between member states.

Farms located in marginal areas will now enjoy greater incentives to convert to organic and eco-friendly farming, but it is not clear whether farms located in intensive exploitation areas will do so as well. Thus, the threat of genetically modified crops and intensive farming geared towards competitive international markets compromises the chances of sustainable farming. We would therefore seem to be advancing towards a deepening of production polarisation, especially in a context of budgetary freezing and greater liberalisation of world markets. Thus, the 2003 CAP reform came as an opportunity – but also a threat – of advancing towards a general transition culminating in sustainable farming.

According to A. García (2007: 68), the CAP concentrates aid payments in few hands, which are not precisely those of small

and medium-sized farmers. In order to make these policies compatible with the WTO guidelines it has been decided that said aid payments can be collected without the requirement for any actual production, a totally absurd measure that delegitimises both the aid payments and the CAP itself. It can be said that the 2003 CAP reform destroys the social and family-based farming model.

In any event, there is no shortage of voices claiming that, despite the budget cuts and the predominance of an official discourse advocating environmental, sustainable and multifunctional criteria, the CAP continues to defend a high-productivity farming model in order to maintain the economic efficiency of its farming and its competitiveness in world markets. At the same time, the CAP also continues to maintain a high level of protection for livestock farming, though conveniently dressed up with the new rural sustainability, multifunctionality and pluriactivity rhetoric, even as it consolidates the traditional regional imbalances and continues to support large farming operations and continental production.

Everything seems to indicate that the CAP seeks to favour the coexistence of competitive farming geared towards international markets with extensive, eco-friendly agriculture based on family farms that would contribute to ensure appropriate land use and the preservation of the population in rural areas. This production duality in fact constitutes an insurmountable internal contradiction which benefits the former model (Segrelles, 2007 a). Moreover, as already mentioned, the support for sustainable farming, the defence of biodiversity and landscapes, the promotion of the non-productive social functions of farming and rural multifunctionality seem so far to belong to the formal rather than the real world.

With regard to the 2008 PAC reform, according to the information available on the *Europa.EU legislation summaries* website,

(<[http://europa.eu/legislation\\_summaries/agriculture/general\\_framework/160002\\_es.htm](http://europa.eu/legislation_summaries/agriculture/general_framework/160002_es.htm)>. [Accessed 14 June 2009]), during its more than 25 years of existence, the CAP has undergone profound changes in order to face the new challenges arising from a changing socio-economic, financial and trade scenario, both in the EU and in the rest of the world. As indicated earlier,

initially the aims of CAP were focused on achieving the objectives of Article 39 of the Treaty of Rome, namely to increase the productivity of production units, ensure fair living standards for the agricultural population and assure the security of agri-food supply at reasonable prices. Then it was called upon to correct the quantitative imbalances that had arisen over time. Later, the CAP took on a new direction based on lowering prices, granting compensatory aid payments and promoting rural multifunctionality.

From that point onwards it can be said that support for agriculture is distributed in an unequal and unbalanced fashion between the various producers and regions. This has led to deplorable management of rural areas with worrying results: decline of crop and livestock farming in certain areas, intensive farming practices constituting a source of pollution, livestock diseases, and diminished food security, among others.

Since the 2003 CAP reform was incomplete, it was agreed to review it in the medium term. Thus, in November 2007 the European Commission proposed a “health check” of the CAP reform to the European Parliament by means of the document entitled *Preparing for the “health check” of the CAP* (COM, 2007/0722), leading to the European Parliament Resolution of 12 March 2008, on the “health check” of the CAP reform (2007/2195). Said strategy did not alter the basic principles of the 2003 reform, while at the same time attempting to adapt the CAP single payment scheme to a 27-member (currently 28) EU, as pointed out by D. García Brenes (2009: 389). Said author cites European Farming Commissioner M. Fischer-Boel’s (2008), statement that in this case it was not a radically new reform, but simply an effort to further modernise, simplify and rationalise a PAC essentially aimed at overcoming the obstacles still preventing farmers from responding to market signals and the growing demand for food.

The European Council meeting in Berlin confirmed that the content of the new reform will guarantee a multifunctional, sustainable, competitive agriculture present throughout the entire European territory, including regions with specific problems. In addition, agriculture in the EU must be capable of preserving the landscape, maintaining natural spaces, making a decisive contribution to the vitality and dynamism of the rural

world and answering the concerns and demands of consumers with regard to food security and quality as well as environmental protection and animal welfare.

In 2008 there was a clear intent to make rural development the second pillar of the CAP. For the first time the foundations were laid for a comprehensive and coherent rural development policy that would complement market-based policies and ensure that agricultural spending should contribute more than in the past to meet certain needs, such as space management, natural resource protection and the installation of young farmers.

The 2008 reform was to allow member states to make direct payments conditional on compliance with environmental regulations. This would allow better integration of the environmental dimension into the operation of the Common Market Organisations (CMOs), since each product or product group (grains, fruit and vegetables, eggs, wine, beef, etc.) has its own regulations aimed at governing production, stabilising prices and assuring the security of supply. However, from 2007 onwards there started a policy of regrouping into a single CMO.

Once again environmental integrity and the conservation of natural resources appeared as a screen justifying the dwindling role of farming in the rural economy, since this reform provides for a 10% reduction in direct farm payments.

### **3. By way of conclusion: a return to the CAP’S founding principles?**

The dissociation of farm aid from actual production, the (eco) conditionality of agricultural practices and the modulation of aid for rural areas – the main pillars of the 2003 CAP reform and its 2008 revision – have once again evidenced the contradictions incurred in by the EU, because good intentions and official discourse is one thing and actual policies implemented in practice are another very different thing.

The false breaking away from the CAP's traditional focus on agricultural productivity and the disguised diversion of aid to large farming operations will force all production units to increase their productivity, which will result in greater production for the international markets and closer control of said markets by the EU. Moreover, environmental measures are likely to act more as a brake to the entry of agri-food products from underdeveloped countries into the European market than as a genuine instrument of environmental conservation. Also, once aid is no longer distributed on a priority basis to those most in need of it – i.e., family farms – it will be used in a highly efficient manner by the agro-industry and large EU exporting companies to sell below production costs in the international markets, thereby consolidating the classic unfair competition by European agri-food products and unrelentingly damaging peasant farming in underdeveloped countries. Besides, the European Commission itself acknowledges that 80% of aid goes to a mere 20% of producers (García Brenes, 2009: 381).

It is thus clearly apparent that those who profit more and better from the opening up of markets are the large transnational organised distribution corporations (Segrelles, 2010). As pointed out by J. Berthelot (2000), it could even be said that the EU's recent agricultural reforms, seeking to adapt the sector to a scenario of tariff-free international trading unfettered by protectionist farming subsidies, have been placed at the service of the large European agri-food companies, which are not exactly driven by a spirit of EU solidarity and cohesion nor an altruistic desire for fairer global trade, but rather by the urge to buy the commodities they use or the fresh products they distribute at the lowest possible prices, on the questionable grounds of pursuing consumer interests.

In this regard, the European Parliament Agriculture and Rural Development Committee (2011), headed by Martin Häusling, drew up a report proposing the reduction of the EU's vegetable protein deficiency in order to break away from its dependency on massive soya imports from Latin American companies, as the large European agri-food transnational corporations prefer to buy cheap abroad rather than produce at a higher cost within the EU. Said report states that protein crops in the EU as a whole account for a mere 3% of cultivated land (excluding land

used for fruit and vegetable production) and supply only 30% of the amount consumed as livestock feed, with a clear trend towards an increase of such deficit over the past decade. This is an absolutely irrational state of affairs when one considers the unused production potential of large areas of farmland left fallow year after year in certain EU countries, even though fallow can be seen as a sustainable farming practice.

In addition, the above document urges the European Parliament to legislate in favour of incentivising sustainable practices linking together agricultural and livestock farming by means of integrated and balanced crop rotation schemes and suitable use of pasture lands. In order to include protein crops (alfalfa, clover, sainfoin, beans, peas, vetches) sustainably in farming systems, it is essential that farmers can envisage a short term improvement in the profitability of their production through specific aid under the CAP (Segrelles, 2012).

Moreover, peasants and the rural world in both rich and poor countries are affected by large-scale organised distribution strategies from the moment that free trade (promoted by the WTO at the urging of the US, the EU and many agro-exporting underdeveloped countries) brings them into contact with, conclusively links them to, and makes them the common victims of the same players. It is therefore hardly surprising that the large agri-food distribution groups are precisely the ones that exert the greatest influence on the policies designed by the EU and the WTO, and that they are the ones that pressure the most for greater liberalisation of world trade (Segrelles, 2012).

In view of all the problems caused by the European agricultural policies in connivance with the WTO, both in EU territory and in impoverished countries, many voices advocate for a return of the CAP to its founding principles: market unity, financial solidarity, community preference, price and market regulation to assure a stable income for farmers, and food supply security (Cassen, 2008), with due consideration to the environment and a fair aid modulation system.

There are not too many reasons for optimism in this respect given that, as pointed out by B. Cassen (2008), the blindness of the European authorities is of an ideological nature, since in their view no sector of activity should escape the laws of the market and free competition, agriculture included. In doing so



they forget that this sector does not answer the description of a true market: supply is volatile (due to the influence of climate factors), while demand is relatively rigid and predictable. Said author holds that agriculture should be excluded from WTO rules and negotiations, since what is needed is not more market, but more national, regional and international market regulations.

However, the Brussels authorities have never contemplated a return to the original tenets of the CAP. Far from it, they are intent on changing the distribution of EU funds from 2014 onwards, which would in fact result in the dismantling of this policy, given the proposed elimination of market regulation mechanisms for the agricultural sector, the reduction to the lowest possible levels of food security stocks, the replacement of the current system of payments based on historic rights with a system based on agro-environmental considerations, and the cutting of direct payments in order to divert such funds to rural development measures. Despite the wide diversity of opinions, this is clearly apparent in two major collective works: that published by the small farmer's union Unión de Pequeños Agricultores (2013) and the one edited by I. Bardají (2014).

In other words, an attempt is under way to eliminate all the philosophy that led to the creation of the CAP without taking into account that the new rural strategies in the EU are leading to a veritable territorial imbalance in production, since the environmental discourse, as well as that pertaining to rural development, are no more than a disguise that can no longer conceal the underlying shift towards the liberalisation of agricultural markets and the selection and specialisation of the most competitive farming operations, obviously pushing aside family-operated production units. All this is coupled with the concentration of production in the more profitable regions and the evident marginalisation and depopulation of the more disadvantaged ones. As pointed out by J. C. Kroll and A. Trouvé (2009), the dogma of deregulation and *laissez-faire* still prevails in the ideology of the Brussels authorities, which is firmly committed to the reduction of any form of public regulation, the decoupling of aid and the dwindling of solidarity between member states and regions, the latter being tantamount to a renationalisation of agricultural policies.

In sum, production and territories are disrupted in the name of competitiveness, though it is no less true that attempts at marginal correction of the most evident damage are being made in the name of rural development, known as the second pillar of the CAP. However, there is an aspect of this dichotomy that deserves to be highlighted, namely that rural development, despite the scarcity of available resources, is stimulated using public funds that come from the taxes paid by European citizens, while the undeniable benefits resulting from the concentration of production in the more efficient and profitable regions only serve to boost the balance sheets of the great capitalised farming operations and dynamic transnational firms of the agri-food industry.

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