

In a previous issue of **THE SOCIAL CONTRACT** we printed Sir James Goldsmith's contrarian view on the GATT treaties. An Australian writer picks up on Goldsmith's theme in this article, a portion of which is reprinted with permission from *The Australian* of July 31, 1993.

# Rural Exodus A Road to Disaster

By B. A. Santamaria

[The article began with observations on the decline of the Australian National Party which has its base of support in rural and agricultural interests.]

The depopulation of the countryside is the basic cause of the decline of the National [Party] vote. Its significance, however, ranges far beyond that fact. In the short run, the rural exodus may, superficially, seem to make sense. In the slightly longer run — with unemployment and underemployment in Western industrial countries now close to 30 million, and growing relentlessly, and with a vast refugee problem building up on every continent — it is nonsense.

As far back as 1942, William Hocking, professor of philosophy at Harvard, dismissed the nostrum that urbanization was the key to economic and social progress. "Capitalism can maintain its health only on three conditions," he wrote. "(a) It must take the problem of employment as its collective responsibility: it must satisfy the will to work. (b) The owning and use of capital must be general. (c) Ownership in its full sense must be widely diffused; this means the ownership of real property instead of mere abstract tokens such as money and securities. And real property comes to its best expression in the farm operated by its owner or owners, for here we have capital bearing its natural and unchallenged fruit in direct response to labor and intelligent investment."

Five decades later such concepts are not even worth a laugh in a society which prefers to make its money out of paper shuffling, but is now, as a result of this interpretation of progress, flat on its back waiting for the Keating-type recovery which, whether in Australia, Britain or the U.S., never comes.

One of the West's most successful practitioners of "playing the markets," Sir James Goldsmith, put his finger on the nub. "When people are forced to move from the countryside to the towns, both the countryside and the towns are destabilized. The famous *favelas* of Brazil, the slums of such megatowns as Rio de Janeiro, did not exist before the Green Revolution, which was supposed to eradicate hunger throughout the world by applying science to agriculture and thereby increasing output...

"Large mechanized, scientific farms did produce more food per person, directly employed, but those no longer employed were chased into towns, creating vast urban concentrations with their attendant slums. As they were uprooted not only from their homes but also

from their cultures and families, the refugees and their children were reduced to dependence on welfare and crime.

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"The GATT proposals would do even greater damage. By preventing nations from protecting their farmers, rural communities throughout the world would be washed away as if by a flood. Whole populations would be uprooted and swept into urban slums. In the world as a whole, the rural population consists of about 3.1 billion people. Let us suppose that as a percentage of total population, it were to be reduced to the levels that already exist in the new farming countries such as Australia and Canada.

"The result would be emigration from the land to the town of about 2.1 billion people, figures which worsen as the world's population grows. As the affected nations become ungovernable and impoverished, so their people will be forced to seek refuge elsewhere. Mass migration will follow, and do not think that any nation would remain unaffected by vast movements of uprooted and tragic peoples." ■