Sir James Goldsmith is a British financier of note. This essay is reprinted from the Australian magazine Newsweekly of April 10, 1993.

# **Europe Should Keep Its Farmers**

By Sir James Goldsmith

Economic growth is the way to measure success, and science and technology are its principal tools. That is the basis of modern thought, but I question it.

The leading modern society, America, has produced the greatest surge in economic growth and material prosperity in history. In the past 50 years, its gross national product (GNP) has grown in constant, inflation-adjusted dollars from \$1.5 trillion to \$5.9 trillion dollars. American science and technology have achieved incredible innovations. And yet, American society is deeply ill.

Britain and other Western societies have succeeded beyond their dreams in the past 50 years, but they are in deep trouble. Perhaps success cannot just be measured in economic terms. Perhaps national recovery is not just a product of economic growth.

As America is the remaining superpower and most of the world, more particularly Britain, seems to be turning to her as an example, I will do likewise. Many Americans tend to believe that science can unravel all problems and that the whole world is some sort of puzzle that modern technology can analyze and measure. Measurement rather than wisdom has become the preferred tool and this can lead to some serious mistakes.

For example, GNP is the official index of a nation's prosperity. If a natural calamity strikes, the immediate impact is growth in GNP, as industry gears up to repair the damage. If crime explodes, GNP grows as police forces are expanded and more prisons are constructed. So GNP is not a measure of success or contentment; just a measure of activity, good or bad.

American cities that are racked with crime, drug taking, alcoholism, suicide and family breakdown are, according to official figures, considered "richer" than many poorer cities elsewhere in the world which are still rich in stability and contentment.

## The Measure of Cultural Identity

My second example of measuring rather than understanding is the belief that a geographic space, once populated, becomes a nation; the belief that you can bring together all sorts of people from all sorts of cultural and ethnic backgrounds and create a nation. In reality a nation is something very different. It is the common culture, identity and traditions which create a nation's heritage and constitute a vital pillar of its stability. And the community of spirit takes a long time to develop.

Not to understand the difference between a populated space, a state and a nation leads to policies which create social breakdown, misery and ethnic conflict. That will be the case whatever the growth in GNP.

My third example concerns geographical mobility. People, it is believed, should move to jobs rather than the reverse. But this shows deep ignorance of how human societies work.

In a stable society, each member of a family has a role in the upbringing of the children, as have their friends. But if, to find work, the mother, father and children are forced to move, then the influences that help to educate the children are transformed and the function of relatives is diminished. Often this function is transferred to schools which, themselves, are in deep moral crisis.

The elders who have been left behind regroup in special retirement cities, and the children become more anonymous within impersonal communities. Society begins to disaggregate. In particularly severe cases, when the families break down, the children seek alternative families and find surrogate relatives in urban gangs.

People who speak of reducing urban crime just by increasing the size of the police force confuse causes and symptoms. The police, no matter how good, can only control the symptoms. We create the disease by failing to understand the longer term results of our own actions.

### **Some Practical Solutions**

The whole of our culture has been deformed by the modern method of thought. Let me try to propose some practical solutions.

First, when assessing new ideas, new plans and political programs, go further than just attempting to analyze their effects on economic growth. You should also try to understand their longer term effects on the stability of society. Of course, we need economic prosperity, but economic growth is valuable only if it contributes to the stability of a community.

Second, protect the nation and do not let anyone transform it into a populated space in the face of everincreasing pressures to open the gates. Article 123 of the Maastricht Treaty states: "It shall aim ... to increase their geographical ... mobility within the Community." This is not just allowing mobility, but actively encouraging and subsidizing it. It is not the way to create Europe, but to destroy it.

Outside Europe, population is exploding and vast numbers of people are being uprooted. Tragically, we are responsible. Ill-conceived international treaties like GATT will have devastating consequences on the stability of society. The dual effects of exploding population and its systematic uprooting will lead to mass movements of peoples which will engulf those nations too weak to protect themselves.

People who confuse Europe with the United States of America forget that that great state was formed by immigration. They were starting from scratch; we [in Europe] are the opposite. Our populations have deep national roots, which is a wonderful strength as long as we do not attempt to shuffle people like a pack of cards.

Europe must build on the strength, cultures and traditions of each nation and each must retain the overwhelming majority of its existing power to govern itself. The powers that are transferred to the center must be principally those necessary to coordinate defense, diplomacy, environmental protection and trade. That was what "subsidiarity" was supposed to be all about: transferring to the center only those responsibilities which could not be assumed at national level.

Alas, "subsidiarity" has become, to some degree, a disguise behind which lurks the centralizing lust of the European bureaucrat. To centralize would be disaster. Vast groupings of international peoples governed by great central administrations are not stable, as we have seen in the Soviet Union and to some degree in the United States. Brussels should not be either the Kremlin or Washington.

Perhaps the major centralizing dynamic of the Maastricht Treaty is the proposal for a single currency. Its damage goes far beyond the economy. To understand the effects of a single currency imposed uniformly on both rich and poor regions, look at Italy and Germany.

#### "Instead of generating employment, the subsidies generated corruption. They also failed to stem migration..."

The economy of northern Italy is highly competitive where that of the south is not. The unemployed southerners move north to seek work and to stem this migration, Italians subsidized investment in the south to create jobs there. To do this, they formed special institutions such as the *Cassa del Messogiorno* and its successors, through which were channelled massive transfers of funds to the south. The policy failed. Much of the investment went into useless bureaucratic mega-projects and much was stolen or diverted for political purposes.

Instead of generating employment, the subsidies generated corruption. They also failed to stem migration, which continued to deracinate southern communities and to overpopulate and destabilize those in the north.

This fiasco caused a great resentment in northern Italy, resulting in the formation of the Lombardy League, a political party whose platform is to separate the north from the remainder of Italy. It has become the leading party in its region, with similar leagues emerging in Tuscany and Venice.

The subsidies and migration have taken place within the same nation. Nonetheless, they have aroused strong separatist passions. Imagine how much more resentment would be generated if they took place in entirely different nations such as between Greece and the Netherlands or between Spain and Germany.

It must be obvious that the imposition of a single currency would unleash centrifugal forces that would tear Europe apart. But, alas, our centralizing bureaucrats are unable or unwilling to understand.

#### **Migration from Farm to Slum**

My fourth and last point concerns the General Agreement on Tariffs and Trade, which looks as though it is just promoting world trade and economic growth, but which inevitably will cause immense harm. The GATT negotiations, as they affect agriculture, propose that nations would be prohibited from limiting the volume of imported agricultural products. The idea is that the inefficient agriculture of some countries would be forced either to modernize or to be replaced by the products of other nations which already have implemented modern and "efficient" methods.

It sounds all very logical, but we need to define and understand what is meant by "efficient." It is generally accepted that large, mechanized farms using modern scientific methods produce more food, more cheaply, for the benefit of the economy and of people throughout the world. But this conclusion is based on one-dimensional thinking.

When people leave the land, they gravitate to the cities. If there are insufficient jobs, there will be increased unemployment. And if there is insufficient infrastructure — such as schools, houses and hospitals — then there will be a need for substantial new capital expenditure. These costs must be taken into account when calculating the financial benefits of so-called intensive agriculture.

But there is a deeper price. 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.

Change often produces unexpected results. 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.

Now the mega-towns and their slums are blamed for the economic and social collapse of whole nations. We have forgotten that we created them.

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 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 migration from the land to the towns 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. In our one-dimensional search for growth in GNP, we systematically undermine societies, create unemployment and then spend our time dealing with the symptoms. Money, although necessary to alleviate pain, solves no fundamental problems. It deals with symptoms not causes.

As Professor Walter Williams of George Mason University has pointed out, the money spent in the U.S. on poverty programs since the 1960s could have bought the entire assets of the 500 largest companies in America "plus virtually all the U.S. farm land. And what did it do? The problems still remain and they are even worse."