

## 16. The Rural Scene — Agri-Counter-Culture

While the biologists and the behaviourists discuss the origins and history of man in terms of millions of years, the history of man as a social being in an exchange economy comprises only a few thousand years. And it could be said to have begun when the first man turned the first furrow in order to grow the first crop of food to satisfy more than his own needs — the beginning of agriculture.

This could be placed as roughly between three and four thousand years ago and sited possibly, according to the *Encyclopaedia Britannica*<sup>1</sup> in Afghanistan and Northern Africa. It was certainly highly developed in the early years of Graeco-Roman civilization.

Modern agriculture, the highly mechanised, organised and specialised industry of today, is no more than a century old. In fact, it could be said to have commenced with the introduction of the first power-drawn combine harvester, early in the present century. Its development into the phenomenon which is the concern of the U.N. Food and Agricultural Organisation (FAO) is as modern as the second world war.

As an instrument in the satisfaction of mankind's social, physical and psychological needs, it has had a tremendous role, through sharply contrasting vicissitudes ranging from pioneering adventure, invasion and pillage, natural catastrophes, world-scale war, land value speculation and — the universal disrupter of real progress — political interference. It is the two last-named factors with which this chapter is mainly concerned, the first of these being largely instrumental in the increase of the second.

Agriculture has exhibited common features of sharply fluctuating fortune throughout the world, though not necessarily simultaneously. In order to make a reasonably comprehensible survey, therefore, a pilot study, as it were, done on agricultural development in the United States or Australia, would reflect those common features of agriculture everywhere at some time or other, and would simplify the process of the study.

In both these countries the hopes and enthusiasms of those who looked to agriculture as a satisfying way of life were frustrated and often destroyed by the same predatory influences — the greed of those whose vision was confined to the acquisition of something-for-nothing in the shortest possible time, and the lust for power which provided the former with its willing agents for political manipulation.

The opening words of the section 'Political Organisation and Action' of the *Encyclopaedia Britannica* article referred to above are these: "The great increase in agricultural trade did not bring prosperity to the farmers." This refers to American farmers and, specifically, to the three decades following the Civil War. But it could justifiably be taken as a general description of the fate of farmers everywhere, in the past as in the present world of the nineteen-seventies in which international agricultural trade has

completed the cycle — from the barter of primitive communities to barter between governments with little profit to anyone but the same two predators, the something-for-nothings and the lusts for power.

In the days of the pioneering of American agriculture, when land was virtually free for the taking, the farmer's prospect of reward for hard work and the risks of frontier life were justifiably optimistic. It was not long, however, before the grasping hand of the primary predator reached out to pre-empt him of his prospects, as the railroads crept westwards, fostered by the 125 million acres of land grants which kept 'homesteading' from twenty to forty miles away from the railroad routes. There followed a period described by the author of the article quoted above as one in which "speculation and land monopolisation became rife. Syndicates purchased land in large blocks and generally secured the most desirable land. Actual settlers might get free lands that were less fertile or less advantageously located or buy at prices set by the speculators, the railroads or the States." Furthermore, "The administration of the land laws was even less satisfactory. Fraud became rampant, and the general land office which supervised disposal of the public domain did not have the organisation, the personnel or the public and official backing to ensure careful and honest administration". By the time this sort of thing was brought under control, the damage had already been done, to the extent that the 'principle' of land value speculation was embedded in the very fabric of the New World, as it was in the Old — which had been so eagerly left behind by the millions in search of the Land of the Free.

The history of agriculture since then, in all countries, embracing the vast improvements in mechanisation and in farming technology, and the consequent enormous increase in production, has been paralleled by a similar increase in farm debt of both a short-term and long-term nature. It has also been accompanied by the ruinous fluctuations in the international produce market, caused as much by the mercantilistic policies of governments as by seasonal change, in which the harassed farmer has permitted his individual freedom of action to be steadily eroded by subjugation to boards of control and dependence on government handouts and 'protection'.

The net result of all this has been that almost the only people making money today from agriculture are the shareholders of banks, insurance and finance companies whose portfolios are stuffed with the mortgages and deeds of farming properties everywhere. The exceptions are those who, by protective organisation and political action, have gained a degree of price control of their product, in such mono-culture type industries as, for instance, Australian sugar production, the cost of which is borne by the un-organised consumer and the taxpayer.

A far cry this from the days of feudal England or the sturdy farmers who fought Henry V's battles for him. Even in countries like New Zealand, where the economy has been largely established on the success of a

mono-cultured system, the advantages of climate and fertility, and the adoption of a high degree of mechanisation and technology, have not prevailed over the power of international politics and the mistakes of government intervention. The degrading spectacle of the nation's Prime Minister pleading at the bar of the European Economic Community for permission for his country's dairying industry to stay alive does not appear to have unduly shocked even the more thoughtful of its citizens; such is the pass to which agriculture has come throughout the world.

The English housewife will now pay more dearly than ever to feed her household as her country becomes absorbed into the E.E.C. and is forced to import the produce of French farmers whose standards of production are universally recognised to be lower than those of any other country in the so-called 'developed' world, at prices fixed by decree of the E.E.C.'s political machine so as to include the cost of protecting the living of these inefficient farmers in order to maintain the myth of 'economic community'.<sup>2</sup>

Even Denmark, where the farmers' reputation for high-standard production has long been rewarded by premium prices for their exported produce, and supported by an enlightened system of revenue-raising from land rent, was compelled to relinquish its tenuous hold on the free market, leave the ranks of the 'Seven' and apply for permission to join the union of socialist republics known as the E.E.C., by the expanding power of the revived mercantilism of the region.

The story of agriculture in Australia, while possessing some unique features, has followed the general pattern of countries within the description 'developed' in that, despite its unusual beginnings and its impressive statistics of production and growth, it suffers today from all the common evils of political control, the traffic in land values, protectionism, inflation and crushing debt.<sup>3</sup> Not to mention the devastating effect of such iniquitous taxation as 'death duties' which not infrequently wipe out any cash assets of the estate or put the legatees deeply into debt.

Whereas in America the beginning of agriculture owed its success to the availability of free land, in Australia land was occupied by the 'squatters' who simply drove their flocks and herds into the bush in the face of the authorities' helpless opposition; though it was not long before their lack of capital put them at the mercy of those who had it, the merchants and monopolists, civilian and military, of Sydney Town. Most of the fortunes of the Australian agricultural 'aristocracy' were founded on the extensive land grants which, in the course of a century or so, were productive of far more income from the farming of their values as 'real estate' than from actual harvesting or husbandry.

The imposing towers of the modern metropolis on the shores of Farm Cove (as of those of all the State Capitals) are monuments to the dubious success of this process. The other side of the coin is to be read in the statistics of the numbers of those who have left agriculture in recent years, either with or without the assistance of the Australian taxpayer, and the schemes that succeed each other almost annually for relieving bankrupt farmers of their debts or to amalgamate 'inefficient' farms at vast public expense, the

'inefficiency' being largely the result of the burden of mortgage debt based on inflated land values. This story is best to be seen in the history of the dairying industry, particularly in Queensland, details of which are laid bare in the *Australian Year Book* for 1973. (see also *Aust. Bureau of Statistics Bulletin: VII. Marketing Arrangements and Assistance to the Dairying Industry*).

The success of modern methods of mono-culture in Australia have been demonstrably great, notably in sugar production, probably one of the most highly organised and protected industries in the world, in which geography and climate have made it possible virtually to seal it off as tightly as any walled city of the days of the Hanseatic League; as a result of which you need a fortune, plus the permission of the bosses of the industry, to buy into it. As a result of which, also, the Australian housewife pays more for her sugar than her opposite number anywhere else in the world.<sup>4</sup>

Other mono-culture industries, such as wheat, wool, beef and fruit production, all display common signs of the debilitating effects of the basic diseases of political manipulation, government intervention and land-value-based debt. Wheat is at the mercy of international 'wheat agreements' and 'stabilization' schemes. Wool is plagued by political factionalism and the dangerous game of government intervention in the market through a Wool Corporation with power to buy in the entire clip to protect the price. Beef production is under the political thumb of a Meat Board which plays international politics. The orchardists of Tasmania are at the mercy of the latest form of socialist 'economics', the 'Apple and Pear Corporation' (" '\$60 million fruit industry is collapsing' " said *The Australian* on May 9, 1975, quoting the Corporation's managing director).

In other areas of production, men and women are being prosecuted and denied a living for selling milk against the dictates of a 'zoning' authority, and egg producers have been forced under penalty to destroy laying hens in the name of keeping up the price of eggs. Nowhere else in the world, one would imagine, does an allegedly 'free' nation exist in such a fool's paradise of protectionism and political control, the annual cost of which to the taxpayer is untold millions of dollars (see any Commonwealth Annual Accounts).

It is a universally accepted platitude that Australia is one of the most highly urbanized nations in the world, two-thirds of its people living in cities and large towns and engaged in commerce or manufacture. One aspect of this crazy pattern is the depressing phenomenon of the spread of 'conurbation', to use the euphemism of the town planners, along almost the entire littoral of New South Wales, the State with the highest concentration of urbanization. This has involved the absorption of millions of acres of good agricultural land into subdivision for housing, highways and manufacturing sites, in consequence of which such bizarre situations can occur as a hardworking southern European immigrant, growing tomatoes for the voracious Sydney market, being converted overnight into a man of vast wealth by selling the 'land values' of his holding of a few acres to a development corporation — which will make another fortune out of desperate home-seeking young Australians — or else to a government

'authority' doing the same thing with money contributed by those same desperate people through their taxes.

Another equally incongruous phenomenon is that of the 'Pitt Street Farmer' of the nineteen-seventies, the term embracing a man or a company, usually in some professional occupation, who buys a run-down farm not too far from the ever-expanding periphery of Sydney, for the two-fold purpose of a 'hedge against inflation' and the avoidance of taxation by offsetting losses on the farm against his general income, not to mention the possibility of a land values 'windfall' by sale to developers.

One deplorable effect of the general trend is the separation of the nation into two broadly conflicting communities of 'town' and 'country', reflected in the political arena in the warfare of parties battling over the spoils of protectionism and government handouts. The balance of interest in a community enjoying the natural advantages which Australia possesses in such abundance, *given the condition of a free economy*, is destroyed, so that there are hundreds of thousands of Australians who have never seen a farm except from a car window as part of the scenery, and there is a steady annual drain of young people from the rural areas to the cities under the lure of the allegedly more sophisticated pleasures and occupations to be found there. The result is increasing pressure on the available living space, with benefit to no one so much as the banks, insurance and finance corporations whose lawyers and accountants work night and day preparing mortgages and overdrafts based on the ever-rising tide of land value.

In the light of this economic madness one is made the more deeply aware of the tragedy inherent in human relations world-wide, and of the hollowness of the phoney dramatics of the 'zero population' men. The masses of India or Sri Lanka or Burma or Bangladesh are not suffering their poverty and hunger as the result of natural calamities, disastrous as they frequently are, any more than the people of Darwin will be, in the long run, following the devastating cyclone of Christmas, 1974. Human ingenuity, energy and optimism are all capable of restoring, repairing and replenishing in the wake of such destruction. What these people suffer from is the almost universal 'lousing up' of the natural advantages, the abundance of nature and the ability of man to exploit it, by political chicanery and economic sophistry and 'management'.

Not all the millions of dollars of 'aid', grudgingly given each year by the over-industrialised West to the so-called 'poor' nations, will ever equal the good to be done by the mutual wiping out of the barriers to international trade. Or by the removal from the backs of the real poor of these countries of those who grow rich from the rack-renting of their land.

#### NOTES TO CHAPTER 16

1. *Encyclopaedia Britannica*, 1956 ed. Vol. 1, p.397; article: "Agriculture, A General Survey".
2. A graphic example of the effects of Britain's entry into the E.E.C. and its consequences to the 'traditional market' relationship between Britain and New Zealand, is given in a letter to *The Economist*, on May 24, 1975, which refers to the levies from the Commonwealth of between £200 and £300 a ton, "equal to a 50 per cent tax".
3. Aust. Bureau of Statistics, *Bulletin* No. 10/62 of 5/8/75 gives a total estimated indebtedness of Australian farmers with gross income of \$2,000 p.a. or more, as approximately \$3,000 million.
4. For an excellent statement on the history and economics of the Australian Sugar Industry see Professor Colin Clark's *Australian Hopes and Fears* (chapter on 'Protectionism'); Hollis & Carter, London, 1958.