# The Set Aside Programme as self-criticism of the CAP; the Province of Pisa case study

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#### Introduction

"According to the environmental history, the study of rural areas gives an account of both projects and defeats of the societies which have exploited them" (Raggio 1999, 9).

To introduce this article about the relationship between the Community integration process and the European countryside evolution I chose this significant quotation by Osvaldo Raggio in order to emphasize the agriculture importance on rural landscape evolution. Since the publication of Sereni's pioneering work (1961) the historical, geographical and archaeological studies on the Italian landscape evolution have made great strides; however, much remains to be done. In fact, the effects on landscape and territory caused by the "third agricultural revolution" (Bairoch 1989) has not been studied yet. Especially, the role of European Community has been largely neglected. By means of the Common Agricultural Policy (CAP), European Community has played a leading role by stimulating or hindering evolutionary processes of the rural world, leading countryside during the fastest and most radical evolution of their history (Lowe, Whitby 1997).

This paper focuses on a specific part of CAP, the Community Regulation n. 1094/88 "set aside from production" more commonly known as Set Aside, in force from 1988 to 1993. It foresaw to farmers the possibility of withdrawing from the production at least 20% of theirs crop surface in exchange of a monetary compensation. The European Commission allowed the resulting frozen lands to be converted to other uses, among which complete closure, annual rotation, conversion to pasture, forestation and use for non-agricultural purposes.

#### 1. The CAP and the turning point of the Eighties

At the moment of its introduction, the aim of the CAP was clearly expressed in Articles 38 and 39 of the Treaty of Rome: the purpose was to increase agricultural productivity at any cost, without any regard for the environment or traditional agricultural landscapes (Federico 2009, 270). According to Benvenuti, these principles were inspired by Dutch agriculture system (Benvenuti 2005), based on the extensive use of machinery and chemicals, the specialized farming, and the integration of farmers in the market structure (Benvenuti 2001). According to Karel, © 2014 Firenze University Press ISSN 2284-242X (online) n. 2, 2014, pp. 205-214

the CAP was based on "three developments: rationalization, specialization and expansion of production" (KAREL 2008, 2). In the Sixties the Dutch experience was considered the most economically viable; moreover, Netherlands Minister for Agriculture, Sicco Mansholt, became the first European Commissioner of Agriculture.

In many areas, the reorganization of agricultural structures represented a break with the past: the European countryside started to gradually polarize between industrial farming areas and those territories where modernization was not possible for morphological or social reasons. This phenomenon stimulated the land abandonment and marginalization of the countryside (IACOPONI 2002). In the Seventies, the Community became finally self-sufficient and net exporter of agricultural goods. This situation require developments in the agriculture and environmental policies, in order to deal with two major problems: firstly, the increasing cost of agricultural incentives became an intolerable burden for Community budget. Secondly, the industrial farming exacerbated a range of environmental, ecological and territorial issues, which had to be finally faced by the Community (Ackrill 2000). The "Set Aside Scheme" was one of the principal Community answers to both these important challenges. Brunori (1994, 4) identifies three key documents which shows the emergence of a new sensibility in the CAP: "The Green Paper" of the Commission (1985), the official document "The future of rural society" (1988), and the Mac Sharry "non-paper" (1990). The documents aimed to the protection of rural world; they differed from previous settings because they proposed the development of a "..concreta possibilità di attivare molteplici sentieri di sviluppo" (ibidem).

In the 1985 report, the Commission criticized the economic aids system, suggesting the introduction of a set aside scheme in order to reduce the costly agricultural surpluses and to introduce a gradual structural reform of incentives. According to a personal note between two officials of the European Commission written in May 1987, the main aims of the withdrawal were:

- maîtriser la production
- atténuer les effets économiques et sociaux dus a l'adaptation de l'agriculture aux nouvelles situations des marchés
- contribuer a la protection de l'environnement et au maintien de l'espace naturel.<sup>1</sup>

In 1988, after several negotiations between the Council and the European Commission, the "Set Aside" Regulation was adopted to encourage the setting aside of the land and the agriculture extensification. Its importance should not be underestimated because, for the reasons mentioned above, it represented one of the first occasions of self-criticism of the CAP: the Commission became aware of the consequences of previous policies, i. e. environmental damages and countryside depopulation, and sought to identify new ways of development.

#### An agri-cultural revolution

According to Bevilacqua, this measure represents a turning point with economic, social and cultural implications:

<sup>&</sup>lt;sup>1</sup> Note for the attention of Avery, Bruxelles, 29 September 1987, in Archivio dell'Unione Europea di Fiesole, GJLA 92.

For the first time in the history of geographic Europe, a public authority, even a supranational political power, was encouraging farmers to stop producing agricultural goods. After millenniums of aids given [...] in order to increase productions, at the end of XX Century the European Community overturned this historical trend (Bevilacoula 2002, 103).

Its innovative character is underlined by the debate developed both in agriculture and in the environmentalist world. The regulations of Set Aside left a lasting impression on its contemporaries, probably much more at the level of the imaginary than at the level of real economic consequences. An article appeared on the newspaper *La Stampa* present a good example of the ongoing debate: "Although it is contrary to every economic principle and a clear nonsense, farmers are payed by CEE to cease their production".<sup>2</sup>

Despite the wide support, in Italy the policy evolution was hardly assimilated by farmers. Such cultural resistances are evident in the interviews collected by Di lacovo (1994, 188-194). A release by Arcangelo Lobianco, president of Coldiretti, shows the entity of this cultural revolution: "up to ten years ago, the categorical imperative was to increase production, and we did it. Now the countermand has arrived".3

The environmental associations as well had an heterogeneous position in relation to the Set Aside. The interruption of intensive farming would have surely given relief to exhausted landscapes and ecosystems. At the same time it was feared that the land abandonment could have revealed as dangerous for the environment and the very image of several territories. The opposite positions stimulated a peculiar duel on the pages of an Italian leading newspaper. Fulco Pratesi, President of WWF Italy, pleaded the cause of the Set Aside, and was opposed by the agronomist Ottavio Salvadori del Prato. The latter stated on the *Corriere della Sera*: "the total set aside of the lands is not both a good agronomic practice and a good ecological practice". Pratesi replied that: "The natural environment reconstruction is positive for the soil maintenance and the protection of endangered animal species".

#### The province of Pisa, a case study

There are two main reasons to choose the province of Pisa as case study: firstly, this area registered one of the highest Set Aside participation rates among farmers throughout the entire Community; secondly, the great heterogeneity of this territory allowed us to verify the set aside progress in areas with different problems and resources. The use of a small scale study allowed us to verify effectively the global process impact. The research was developed through the collection and the analysis of farmers applications. These files are in the archives of the two local authorities involved: the Province of Pisa and the "Comunità Montana dell'Alta Val di Cecina". The archival sources were confronted with several academic studies produced by the University of Pisa, such as the monograph by Di

<sup>&</sup>lt;sup>2</sup>Tirelli, *La Stampa*, 26 July 1992.

<sup>&</sup>lt;sup>3</sup> Gramellini, *La Stampa*, 24 December 1991.

<sup>&</sup>lt;sup>4</sup> Salvadori Del Prato, *Corriere della Sera*, 20 March 1992.

<sup>&</sup>lt;sup>5</sup> Pratesi, *Corriere della Sera*, 20 June 1993.

lacovo and Romiti (1995), whose data were later confronted with the results of the author's enquiry.

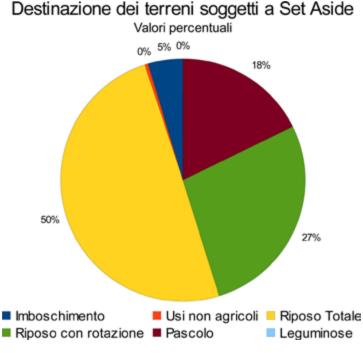
According to the IV ISTAT Census of Agriculture, in 1990 there were in the province of Pisa 13,166 farms with crops land; only 1018 out of them joined the Set Aside programme (bare 7.7%). Eppure i terreni ritirati dalla produzione ammontarono a 24.669 ettari circa, ovvero il 30% dei seminativi provinciali, percentuale dieci volte superiore alla media europea, pari al 3%. Nevertheless, withdrawn land amounted to 24,669 hectares, 30% of the total, while the EU average amounted to 3%. Such data show the general success of the programme in the area; through a spatial observation, though, it is possible to draw a more detailed analysis of its local impact. The province results as a highly heterogeneous environment of application, as for the number of participants and the extension of the withdrawn lands (quantitative aspect) and the new lands destinations as well (qualitative aspect). Tables 1 and 2 show the percentage of companies belonging to the Set Aside and the percentage of withdrawn lands in each municipality: the Programme spread was lower in the North than in the southern hill territories of Volterra and Pomarance. This division respects the heterogeneity of the area, characterized by different micro-areals with different morphologies and economic structures: the fertile and populous Arno Valley, to the North, and the less populated and industrialized South (Andreoli 1989). According to the Programme initial objectives (decreasing the cereal production and increasing biodiversity), the Set Aside should have been mainly concentrated in areas characterized by high productivity, modernized farms and strong pressure on the environment. Table 3 shows the classification of municipalities in the province according to these criteria, suggested by a study by Briggs and Kerrell (1992), and implemented on the basis of ISTAT census and EUROSTAT statistics.<sup>6</sup> According to the scheme, the Set Aside seems to have been more effective on the central Hills and on parts of the Arno Valley, that were the areas with the lowest effective membership percentages.

The following table shows the amount of subsidies granted to Pisa farmers.

	ECU	Lire
1988-89	699.275	1.074.619.020
1989-90	2.756.479	4.164.764.847
1990-91	4.203.034	6.393.614.656
1991-92	11.407.184	17.474.665.170

The grants reached significant levels, such as 11 million of ECU, that were 17.5 billion lira at the time. The available sources do not allow to verify the grant distributions in terms of geography or farm class; we cab only notice that 1018 farmers received an average of more than 17 million each, with an average of 700 thousand lira per hectare. This amount was unevenly distributed, depending on the land morphology and the cultivation method as well.

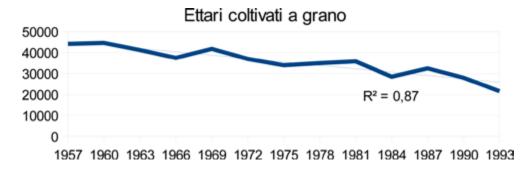
<sup>&</sup>lt;sup>6</sup>The considered values, standardized according to the Z-score system, were: the UAA percentage, the number of farms compared to the extension of the municipal area, the average size of farms, the average size of farms in relation to the UAA, the percentage of land cultivated with cereals, the percentage of farms that use chemicals, the average productivity of the farm, the number of agricultural machinery compared to the UAA.



Equally important for an assessment of the Set Aside are the statistics about the new uses the withdrawn lands were converted to. For the farmers the choice between grazing, rest rotation, total rest or reforestation was influenced bv matters such as affordability, soil fertility or development strategies. The pasture

responded to the needs of those who made use of extensive farming practices; the rest rotation allowed a proper lands regeneration; reforestation was a long-term commitment.

The 1018 farmers involved in the retreat program presented a total of 1232 requests for assistance; as shown in Graph no. 1, the "Complete rest" was undoubtedly the most chosen option, followed by rest rotation and pasture. This preference is highly indicative of the farmers strategy: they preferred to abandon completely some land to dedicate themselves to the more fertile.





The Pisa Province statistics by the Annuario di Statistica Agraria show the importance of the Set Aside on the long term. The Set Aside establishment is evident in the production graph, where there is a significant decrease since 1989. In contrast, there are not significant changes in the second graph, which shows that the extent of crops lands has constantly been declining since the Sixties.

#### **Conclusions: a missed opportunity**

The statistics show that the agricultural lands reduction and the intensification decrease were a trend in force already in the Sixties. It was assimilated with difficulties not because of the abandonment of the soil, but because of the official and institutionalized policy. It is not surprising, however, that the regime was a great success in many areas, including Pisa. For the landscape scenery the Set Aside represented a return to the past, with the recovery of disappeared cultural practices disappeared, such as the annual rotation: Bairoch described it as the positive return of fallow field (BAIROCH 1989).

In other cases the Program was closely intertwined with parallel processes of evolution of land, such as the conversion of arable land to pasture promoted by Sardinian immigrants shepherds in the South of Pisa province (Gabellier 2012). Nevertheless we can defined the Set Aside Programme as a "missed opportunity".

The Council elaborated the Programme as a Regulation, thereby hindering any possible local revisions, although it was a programme with a strong local impact. While the Directive sets the framework but the practical details of implementation are left for the member states to decide, Regulations have "general application". That means they are binding on individuals and effectively form part of domestic law as soon as they are made, and not include possibility of change by member states. The Set Aside was established to decrease agriculture intensification in Northern Europe; while in Pisa it was joined especially by the farmers working in the poorest areas. These farmers chose to abandon completely the frozen lands instead of diversifying the farming; they lost the opportunity to transform an area characterized by socio-economic development delayed and agricultural crisis into a "differentiated countryside" with new opportunities for society (Marsden 1993). This choice shows the cultural backwardness of farmers and politicians, who did not realize the potential of the Programme. For reasons of carelessness many farmers neglect to comply with the constraints of withdraw land management, with potentially devastating effects on the most vulnerable areas as mountains or hills. The Office of Agriculture of the Pisa Province complained that "it is very difficult to control the compliance of Set Aside agreements [...] since many farmers are not respecting them".7

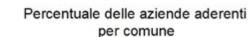
The judgement on the Set Aside remains doubtful. On the one hand, Bevilacqua tries to read the innovative value of the limit to the industrial agriculture (Bevilacqua 2011); on the other hand it became in many cases one more step towards the agriculture disarmament. According to Moreno, there is the danger to convert European agriculture and European countryside "in a sort of theatrical performance paid by the State in order not to produce, but to offer opportunities for entertainment and landscape contemplation" (MORENO 1990).

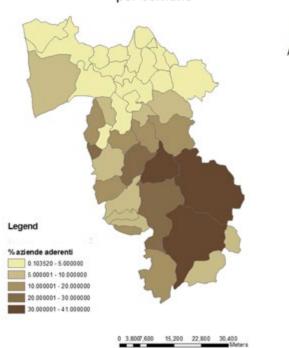
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<sup>&</sup>lt;sup>7</sup> Note to the AlMA Office, June 1990, Archives of Province of Pisa.

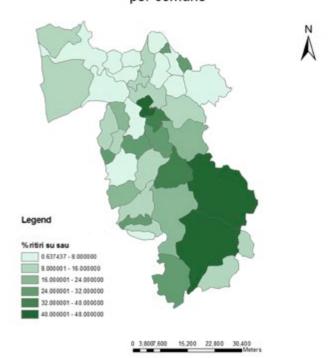
### **Appendix: pictures 1-7**

# SCIENZE DEL TERRITORIO 2/2014

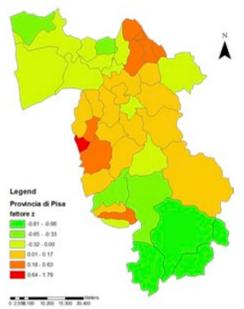


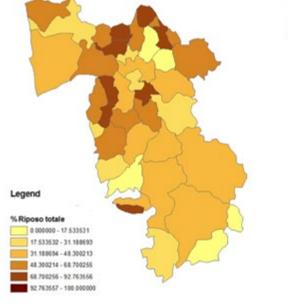


# Percentuale dei terreni ritirati sulla SAU totale per comune



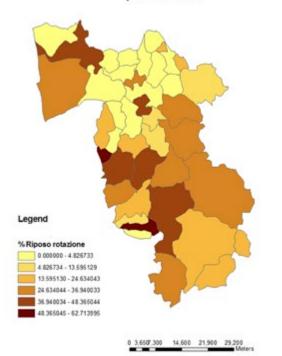
Percentuale dei terreni destinati a riposo totale per comune



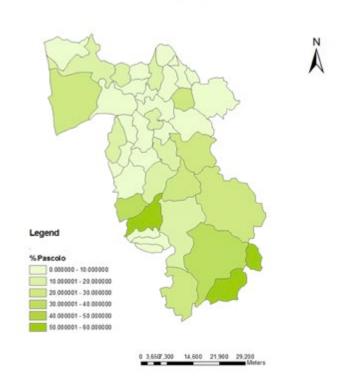


0 3.7507.500 15.000 22.500 30.000 Meters

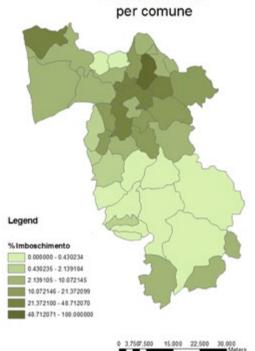
### Percentuale dei terreni destinati a riposo con rotazione per comune



# Percentuale dei terreni destinati a pascolo per comune



### Percentuale dei terreni destinati a imboschimento per comune



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#### **Abstract**

The impact of the European Community integration process on the landscape has not been approached by historical research yet. This paper focuses on the "Set Aside Program" (1988-1993), which is a scheme included in the Common Agricultural Policy. It foresaw to farmers the possibility of withdrawing lands from cereal production in exchange of a payment. The Set Aside Program shows a fundamental importance since it represented one of the first occasions of self-criticism for the CAP: thereby the Community became aware of the consequences of previous policies and sought to identify new ways of development. The case study of this article is the Province of Pisa. The analysis is carried on through official statistics, newspaper articles and bibliography on the topic. The newspaper articles show the public debate about Set Aside among the farmers and environmental associations. The research findings show that farmers and politicians have not exploited the opportunity offered by Set Aside Program, i.e. the diversification of the production; on the contrary they persisted in the agriculture disarmament of marginal rural areas.

#### Keywords

Set Aside, European Landscapes, European Community, Common Agricultural Policy, third agricultural revolution.

#### Bio

In 2012 he obtained a Master's Degree in History at Pisa University; after some academic and professional experiences at the University College of Dublin and at the Centro de Divulgación Ambiental in La Coruña, Nicola Gabellieri works with the Centro IRTA Leonardo in Pisa. His current research interests focus on history of agriculture and environmental history.