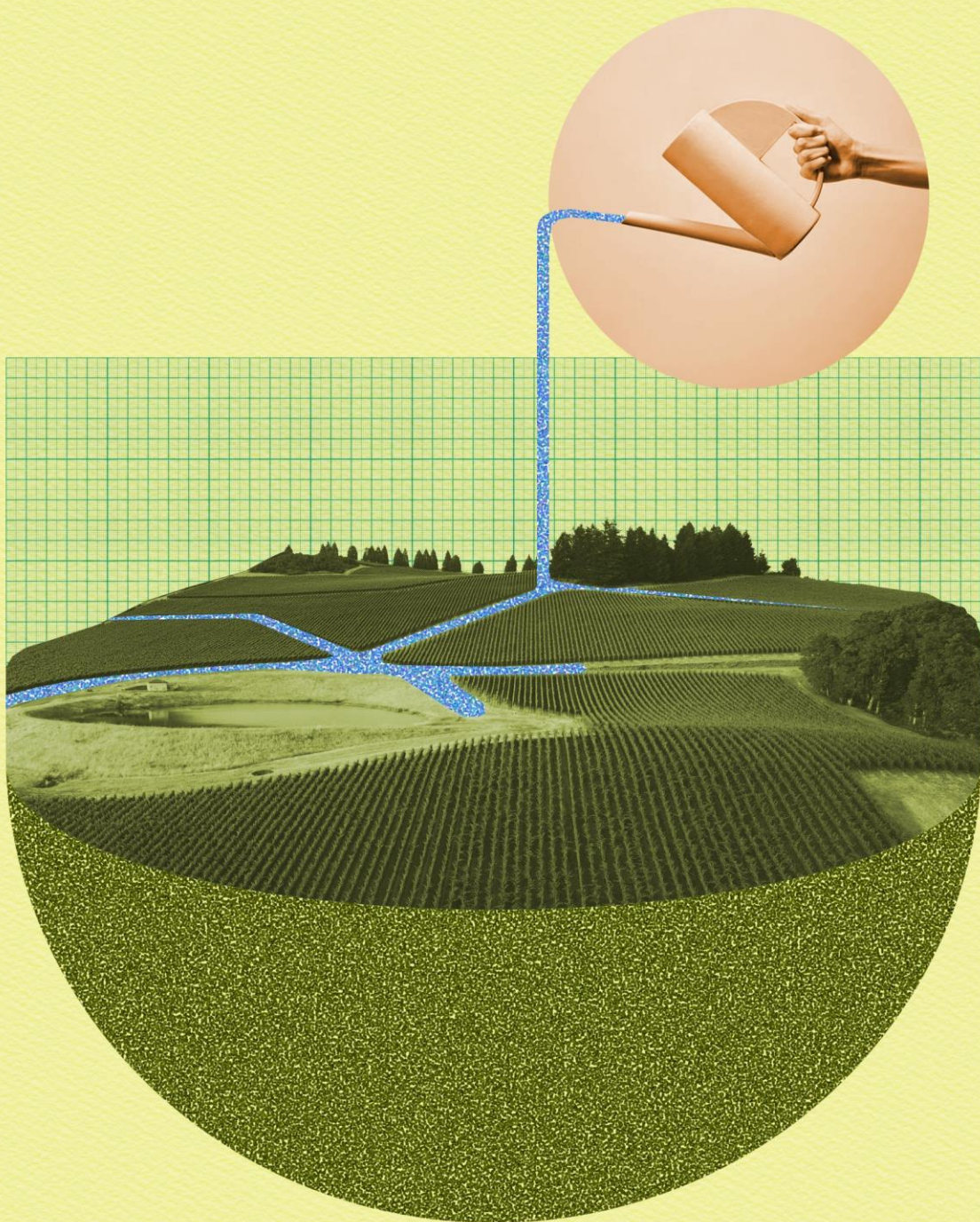


# /21



## **Paper Agricultural exceptionalism**

How to rethink the agri-food systems of the future





#### Authors

Felice Adinolfi,  
Piermichele La Sala,  
Yari Vecchio

#### Illustrations

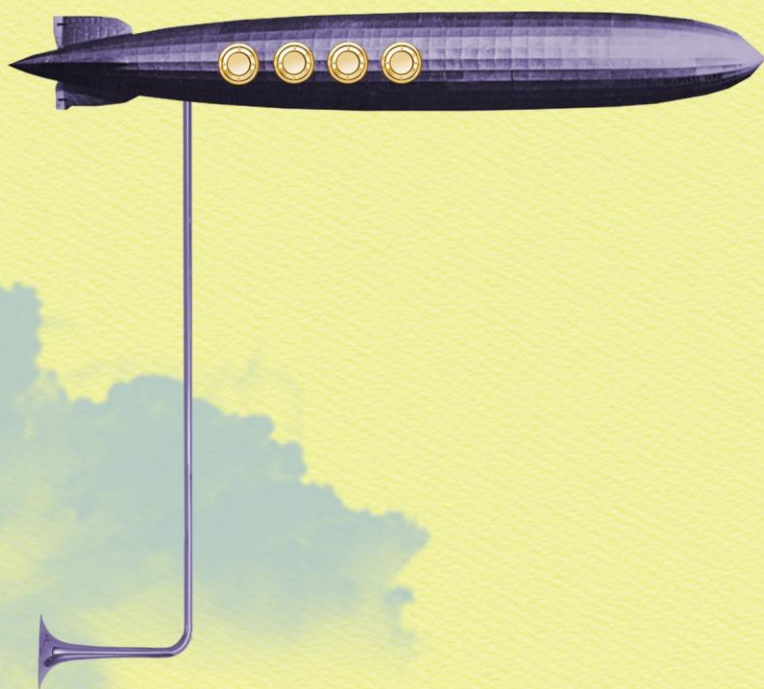
Matilde Masi

#### Contacts

[info@divulgastudi.it](mailto:info@divulgastudi.it)

Publication month October 2024

*The work is available at*  
<https://divulgastudi.it>





## Abstract

- Agriculture has always been considered a special sector of the economy, as history tells us. This attention to agriculture and food has continued over time, in the knowledge that food supplies are an essential part of both national security and sovereignty.
- In fact, Europe was also born from the recognition of agriculture as a special sector, to which it dedicated specific articles in the Treaty of Rome, which established the then European Economic Community (EEC). However, in recent decades it has not only been Europe that has reserved special treatment for the agricultural sector, but all the countries in the world that can afford it, starting with the United States.
- Hence the expression "agricultural exceptionalism", used by public policy scholars to study the phenomenon. The topic came to the fore in conjunction with the great wave of globalisation that began in the 1980s.
- The loss of every square metre of European agricultural production and its replacement produces a positive balance of emissions, a decline in environmental and civic safeguards, crucial for the continuity of many rural areas. Without forgetting one crucial aspect, that of less security for our citizens.
- Current events tell us that the issue of food supplies is still destined to be at the top of the European political agenda. The wars being fought on Europe's doorstep and the risk of far-reaching international tensions are most certainly a cause for concern.





# Contents

1. Introduction - Page 9
2. What happened in Europe  
- Page 13
3. **This isn't a sector like the others,**  
yesterday like today - Page 19

1.



# 1. Introduction

The objective of this work is to contextualize, from a contemporary perspective, the exceptional features which have always characterized the treatment of agriculture by public policies. In fact, agriculture has always been considered a special sector of the economy. Even before

500 BC, Solonian laws prohibited the trade of strategic commodities outside Athenian borders, in order to maintain minimum supplies aimed at feeding the population and just over a century later, the first public food reserve was established in Athens, fuelled by the so-called "twelfth," a levy on the colonies' harvests directed at moderating prices during the most difficult times. Rome, under the leadership of Emperor Augustus, created a gigantic and complex administrative system, the *Annona*, capable of keeping Rome and the Empire safe from famine. This attention to agriculture and food has continued over time, in the

belief, still current, that the security of food supplies is an essential part of national security and sovereignty. As a result, Europe was also born from the recognition of agriculture as a special sector, to which it dedicated specific articles in the Treaty of Rome, establishing the then European Economic Community (EEC). However, in the postwar period, it was not only Europe that granted special treatment to the agricultural sector, but all countries worldwide that could afford it, starting with the United States. A treatment that is different from that received by other sectors and therefore defined as exceptional. Hence the expression "agricultural exceptionalism", used by public policy scholars to study the phenomenon. The topic came to the fore in conjunction with the great wave of globalization that began in the 1980s, in a world that was confident of the perspective of lasting peace. Markets would do the rest, allocating resources in the most

efficient manner, including those involved in agricultural production. The first fundamental step was the inclusion, for the first time, of agriculture in the negotiations on international trade. The agreement was signed in 1994 in Uruguay and many see in it as merely the first step toward the rapid end of agricultural exceptionalism, everywhere. Since then, negotiations have not progressed, in any sector, and Europe still has its own agricultural policy. Much has been discussed and written regarding its evolution and the reasons that justify the existence of agricultural exceptionalism. In particular, many critics of the Common Agricultural Policy (CAP) point out that there is still a certain distance to be filled to overcome agricultural exceptionalism, assuming post-exceptionalism as the optimum point. On the other hand, there are those who, like us, think that the CAP, despite numerous contradictions, has been able to reinterpret the concept of exceptionalism in a modern context, which is more relevant now than ever in these times of war.





2.



## 2. What happened in Europe

Let's start with the 1994 agreement, the General Agreement on Trade and Tariffs (GATT). It significantly reduced protectionist measures, such as export subsidies, tariffs, and quotas. And this was a positive change, because in the meantime, technical progress had taken place, harvests were increasingly abundant, and the European subsidy system was creating enormous distortions, which not only had a cost to the European budget but also the environment and the functioning of markets. It was a good thing to begin, in Europe as elsewhere, the dismantling of protectionist systems that had become anachronistic. Europe chose, at that time, a different path, however, from others, radically reforming the system of aid to agriculture, introducing new priorities alongside that of security of supply and completely reconfiguring the framework of agricultural policy measures.

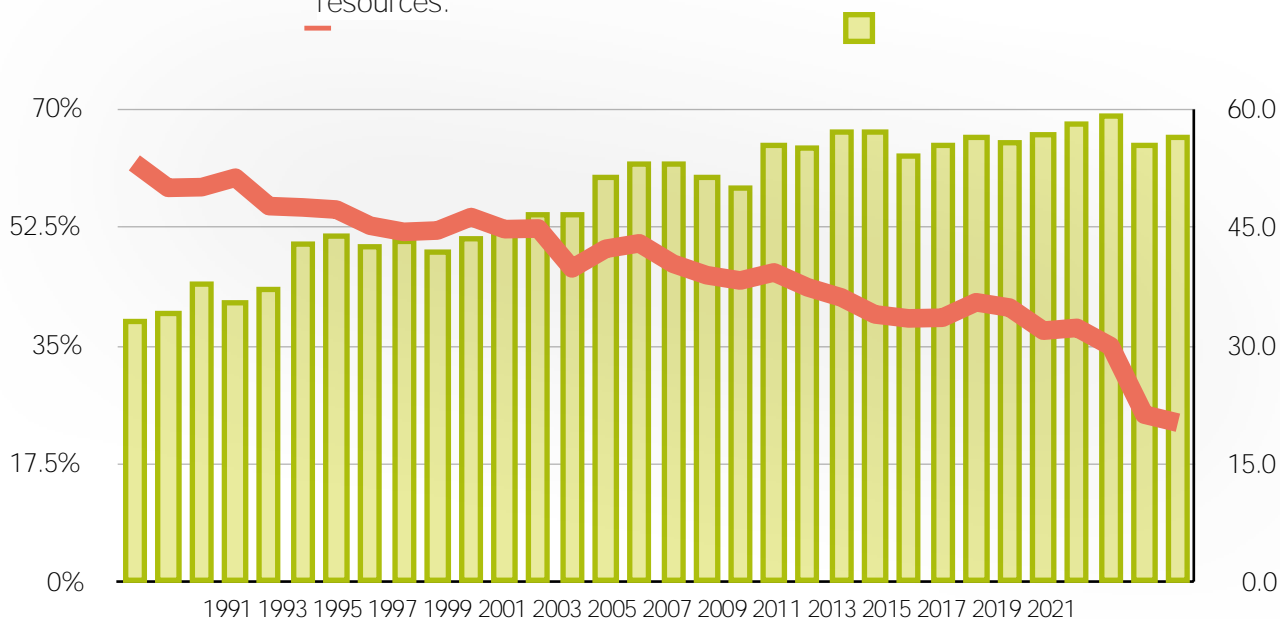
This process has been interpreted in various manners among scholars: Critics consider it an almost random fact, the result of the contrast between a liberal vision and, conversely, a protectionist one that resisted change. Thus, a different narrative would emerge from reality, which would be in continuity with the past. For this reason, one of the terms most used by critics of the CAP and the six reforms that have taken place in thirty years is "greenwashing". Supporters of the European process, however, see a generally virtuous CAP, which implements the principles of so-called multifunctionality, promoting the production, by farmers, of a wide range of environmental and social public goods. Numbers can help us better understand what happened and what effects were produced by the long cycle of CAP reforms, initiated in 1992 with the MacSharry reform, named after

the then European Commissioner for Agriculture. Firstly from a financial point of view. **The CAP's share of the** European budget has gone from 65% in 1990 to 23% today. Compared to EU GDP, the cost of interventions for the agricultural sector has fallen from 0.67% to 0.34%. This burden has therefore been reduced to a third with respect to the European budget and halved in terms of wealth created. Yet, beyond the financial significance, it should above all be pointed out that the measures classified as most distortive in the 1994 agreement have been practically eliminated and

rural development policies, particularly those supporting the environment, have gradually gained weight in the redistribution of resources. Also worth noting is that rural development policies benefit not only farmers, but also many of the productive components found within the territories, as well as local authorities and local action groups. Added to this is the fact that more than a third (at least 35%) of rural development program resources are allocated to compensatory payments for environmental improvement practices (such as organic farming and integrated pest management).

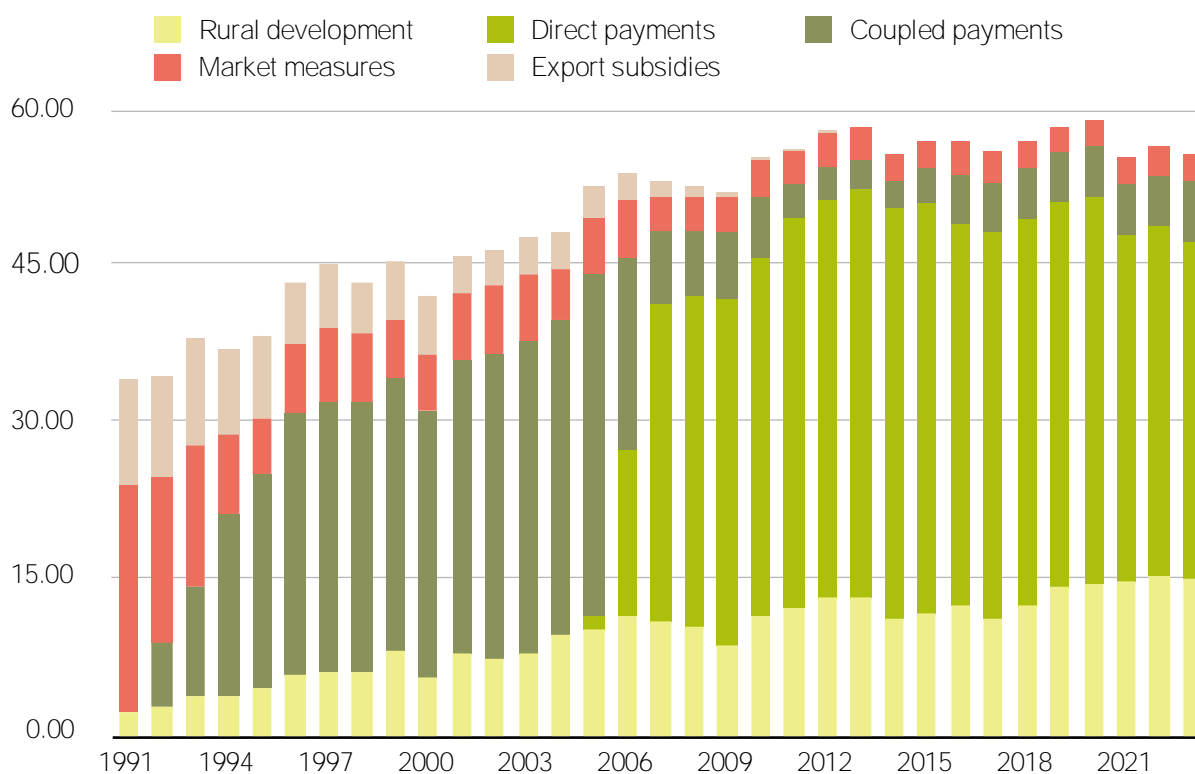


Figure 2.1. The impact of the CAP on European resources.



Sources: Elaborazione Centro Studi Divulga based on Dg-agri data

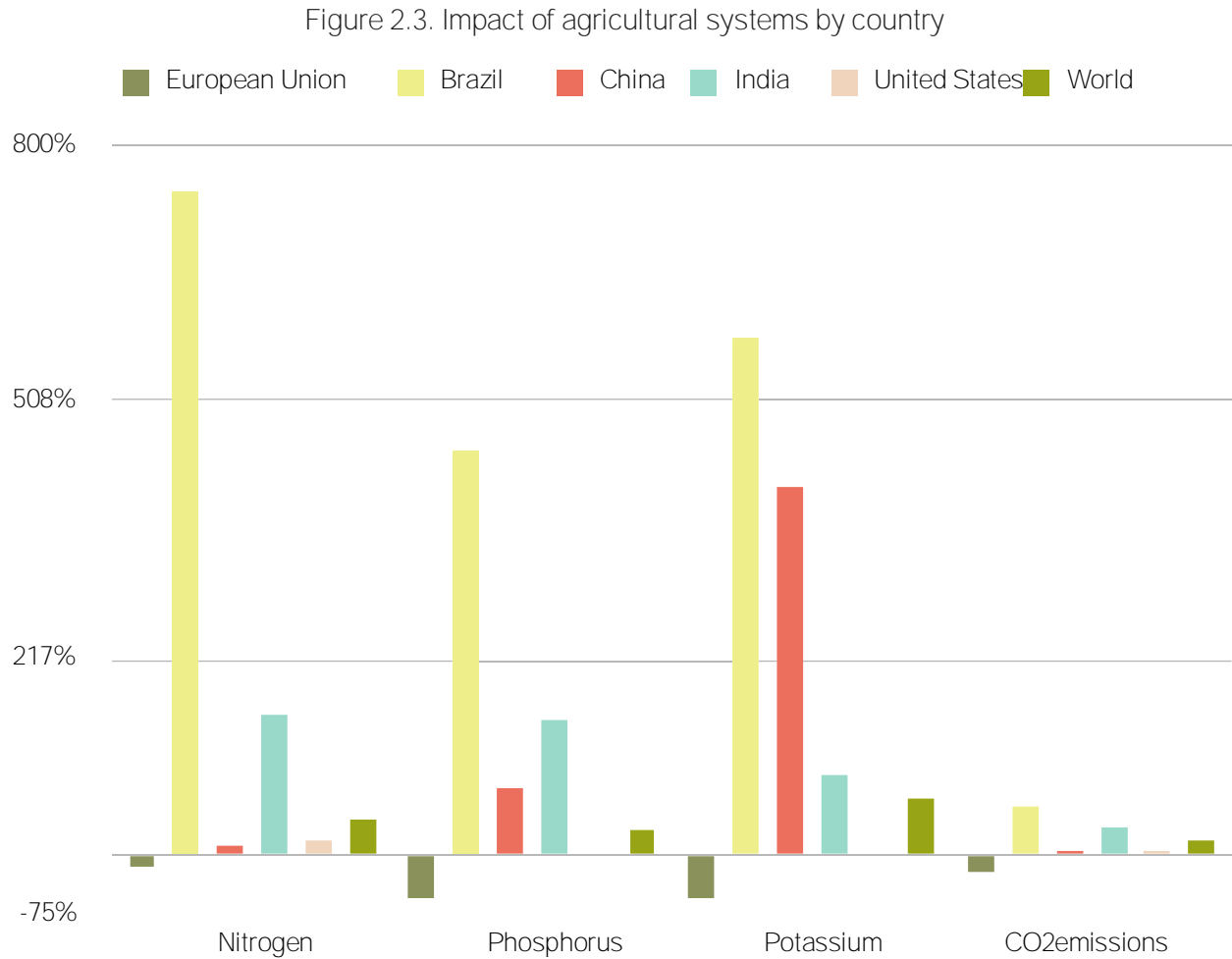
Figure 2.2. The distribution of CAP resources among the various measures.



Sources: Elaborazione Centro Studi Divulga based on Dg-agri data

Some facts need to be considered when analysing the numbers. If we look at the obligations currently envisaged for farmers who benefit from the CAP, we see that over time they have grown significantly, effectively limiting, for shared environmental and ethical purposes, the organization of production factors. Diversification, rotation, setting-aside and dozens of other requirements affecting crop and livestock management.

And, finally, we come to the relevant impacts. Some numbers are, we believe, sufficiently explanatory of the environmental implications of the multifunctional approach. While Europe increased the volume and value of food production, it has managed to significantly reduce the impact of its agriculture on the environment. Unlike other agricultural "powers", starting with the United States.



Sources: Elaborazione Centro Studi Divulga based on Dg-agri data

All this, we believe, factually demonstrates the validity of the European path. However, within this perspective, the future path must take into account the gap that has arisen between European standards and those of the rest of the world. The articulate data we have presented speaks for itself, as do a series of differences that, for example, prohibit practices in Europe which are permitted elsewhere (such as the use of growth hormones in livestock farming or that of glyphosate - one of the most powerful pesticides - for drying durum wheat) or plant-protection products.

which Brussels - rightly - bans and which are routinely used elsewhere (there are dozens of active substances allowed in Brazil or the United States, yet not in the EU). We must ensure that this gap does not widen further, but on the contrary that it is reduced, otherwise the risk is that European production retracts in favour of more polluting agriculture, with enormous damage to the fight against climate change, to our rural areas and to our citizen-consumers.



**3.**

### 3. It is not a sector like any other, today as in the past.

This analysis provides an initial element aimed at contextualising agricultural exceptionalism. The loss of every square metre of European agricultural production and its replacement produces a positive balance of emissions, a decline in environmental and civic safeguards, crucial for the continuity of many rural areas. And less security for our citizens. Alongside this, current events tell us that the issue of food supplies is still destined to remain at the top of the European political agenda. Two wars are being fought on Europe's doorstep, and the risk of far-reaching international tensions is certainly cause for concern. We have already seen food tensions rise several times in recent years: it happened in the 2007 price crisis, then in 2011 with the subsequent triggering of the Arab Spring and again with the

Black Sea ports crisis due to the war in Ukraine. The prospect of lasting peace has been replaced by that of uncertainty. Finally, the two features that make the sector vulnerable, often more vulnerable than others, are now becoming more acute. Exposure to climatic events and other natural adversities (plant and animal diseases) has undoubtedly increased. Entire territories are changing their appearance and transforming, even radically, their agricultural-ecological profile. Belonging to a system of economic and functional relations strongly concentrated in the downstream phases (transformation and distribution) which is increasingly penalising. A weakness recently recognized by the Unfair Practices Directive and which needs to be further explored in order to identify more effective

solutions. Nevertheless, agricultural policy is not the only front on which the vision of agricultural exceptionalism unfolds. There are numerous fronts: labelling is one of the most complex and includes issues such as indication of origin, as well as signals that highlight the nutritional qualities of a product. There is also the issue of rules that accompany trade agreements, which cannot but constitute - and today they are not - a lever to raise the environmental, ethical, health and social standards of our trading partners. These are fundamental areas for designing the future of agri-food systems and defining the outlines of the idea of agricultural exceptionalism that Europe intends to embrace. Within this perspective, the opportunity emerges to update the vision of the "From Farm to Fork" strategy, conceived in a completely different historical context from the current one and driven by the belief—in fact denied—that the Green Deal could put the EU at the forefront of a journey toward zero emissions, which, however, has not materialized. Only we have pushed on the accelerator, yet someone else has slowed down. This does not mean going back, rather doing better in many respects.







ISBN 979-12-81249-23-3





