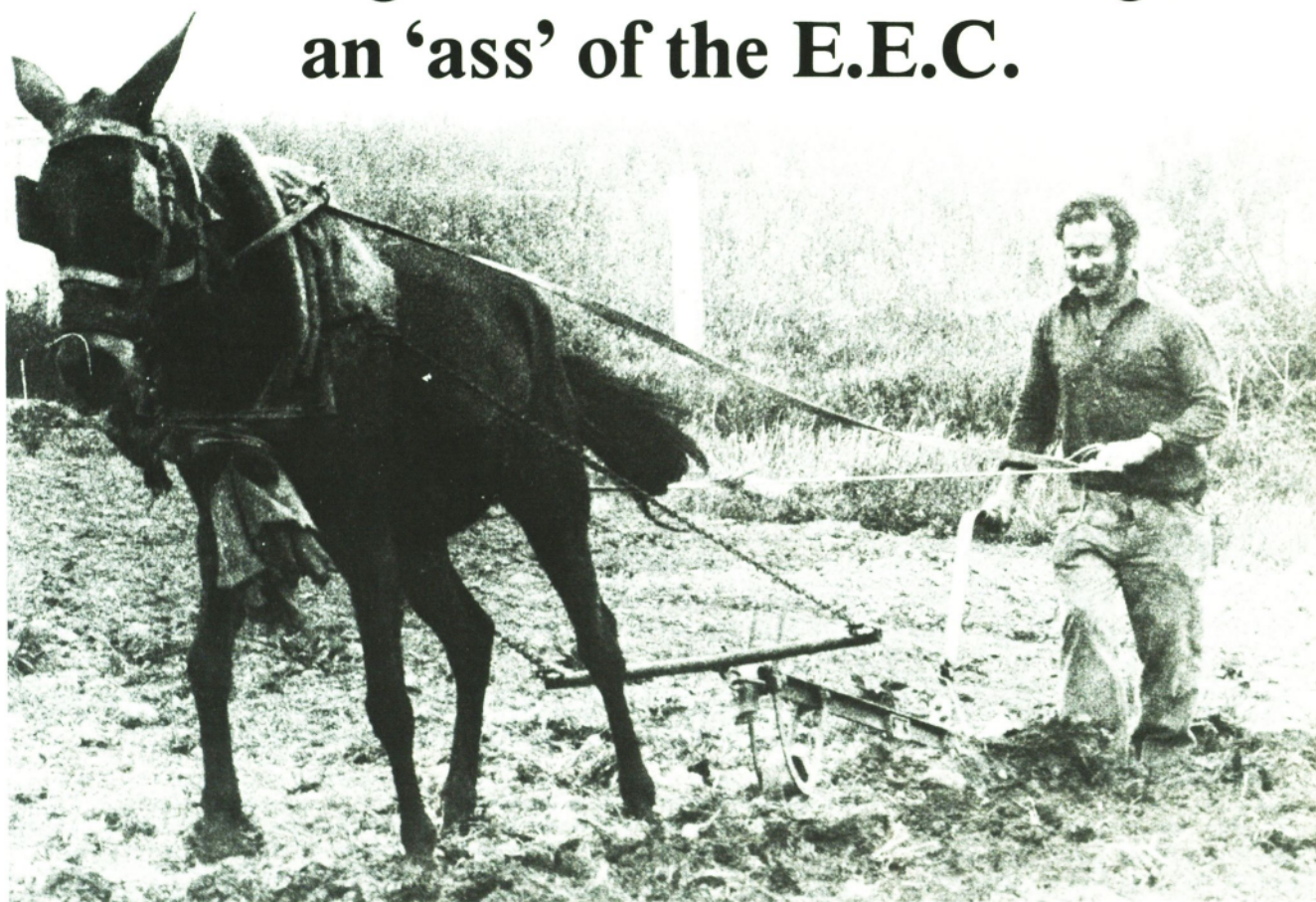


Portugal's farmers – making an 'ass' of the E.E.C.



● Many farmers still use archaic cultivation methods

PORTUGAL'S Parliament is considering a Bill to officially end the expropriation of farm land in the zones covered by the 1975 agrarian reform.

The left-wing coalition of Prime Minister Mario Soares is quietly supporting the measure, which would formally end a disastrous experiment.

The attempt to transform agriculture by collectivisation – mainly in the southern half of Portugal – has led to a slump in output.

Only 350 collective farms now remain of the original 600 that were created by landless labourers who seized large estates after the revolution in 1974.

By Fred Harrison

But 50,000 jobs have now been lost in the Alentejo, in the heart of the most left-wing region in Europe.

In 1983, about 1,500 acres were handed back to former owners, in a bid to increase grain output.

The left has hit back. One victim was a two-month-old baby who died in a bomb explosion at a wealthy landowner's home.

But the socialist government is determined to realign its policies to fit its plans to join the European Economic Community in 12 months' time.



● Prime Minister Mario Soares

Britain's Prime Minister, Margaret Thatcher, was surprised to find – during her visit to Portugal in April – that the Soares government had even adopted some of her favourite austerity measures.

The 10% unemployment rate disguises the country's economic plight. About 100,000 people continue to clock on at work, but have received no pay for a year or more. An estimated \$100m is owed to them in back pay.

Lisbon hopes that domestic belt-tightening – and massive European subsidies – will head off a right-wing backlash against the fragile democracy that has been established over the last ten years.

In the end, however, Portugal's prosperity will depend on her ability to solve the land question.

The government is planning a variety of agrarian laws which are designed to structure the rural base along prevailing European lines of property ownership and use.

And that – as the EEC has now discovered – can only spell more trouble.

For farmers, many still wedded to archaic hand-held plough methods of cultivation, will harden their demands for higher incomes based on politically-motivated subsidies rather than economically-efficient production.

The radical revolution – misdirected as it was – has been abandoned for the solace of classic conservatism.