INTRODUCTION

Agricultural development during the last 50 years has been shaped by three persistent forces of change: globalization, technology and people. *Globalization* is the force that is increasingly shifting the focus from domestic to international opportunities, as world markets become more accessible. Improved *technologies* represent forces that are improving the ability to produce and deliver what consumers want and *people* are exerting their influence, either directly as consumers, or indirectly as custodians of the environment in which food and fibre products are produced. These three forces do not act independently of course, but they interact. Moreover, the relative importance of the three forces has varied, both, in the course of time, and in different regions and/or countries. In this chapter, a broad overview is given of global agricultural and rural developments since World War II (WWII), the forces that shaped their dynamics and their interactions with society.

GLOBAL CHANGE AND AGRICULTURAL DEVELOPMENT: THE PAST

Schematically three periods are distinguished, the *period of reconstruction* (1945-1974), covering the immediate post-war period, with strong emphasis on food...
security, until the time that food supplies were more or less secure; it includes the early phase of the Green Revolution period, starting in about 1960; the age of uncertainty (1975-1985), with emphasis on parity farm income in the Western world, growing overproduction of food, and trade wars until the Uruguay Round of the GATT (General Agreement on Trade and Tariffs, the predecessor of the World Trade Organization), emergence of environmental concerns; consolidation of the Green Revolution in the Developing World, attention for adoption of the associated technologies in ‘less-favoured areas’; and the age of adjustment (1986-2001), characterized by increasing attention for environmental issues, rapid globalization and integration, emergence of information and communication technology.

The period of reconstruction (1945-1974)

Although agricultural developments differed among individual countries, in broad lines, a distinction can be made between the developed (in this period largely equivalent to the ‘Western’, industrialized) countries and the developing countries that at the end of WWII were largely ruled as colonies, and became independent in the course of this period.

Developed countries

In the aftermath of World War II, when many countries, especially in Europe, had suffered food shortages, the main objective of agricultural policy in the developed economies was to ensure adequate supplies of food. The dominant driving force for change was policy focusing on the consumer. The major concern was the need to stimulate agricultural production using improved technologies and monetary incentives. Consequently, this period was characterized by spectacular production gains (De Wit 1986), through: (i) rapid integration of mechanization into farming activities, (ii) increased use of inputs, such as fertilizers and other agro-chemicals and adoption of crop varieties that effectively could utilize these inputs, (iii) increased levels of state-funded research and development, particularly in plant and animal genetics, and farm management. In this period, the Common Agricultural Policy (CAP) of the European (then Community and currently) Union (further referred to as EU) was formulated and implemented, following the Treaty of Rome (1958).

After restoration of the food supply, government concern increasingly shifted towards supporting farmers’ standards of living. Technological innovation remained important, but the social welfare of rural communities and income parity for primary producers became dominant issues in agricultural policies. In a review of agricultural policies of developed countries, James (1971) identified similarities in policy objectives between the USA, Australia and the EU in terms of their desire to stabilize agricultural prices and the necessity to ensure an equitable standard of living for the rural communities.

These objectives can be recognized in the objectives of the CAP, as formulated in the Treaty of Rome (1958): (i) guarantee food supplies at stable and reasonable prices; (ii) ensure a fair standard of living for farmers, and (iii) improve agricultural productivity through technical progress, and develop more rational production