'Agriculture in the European arena' from the Süddeutsche Zeitung

Caption: On 23 and 24 August 1958, the German daily newspaper Süddeutsche Zeitung considers the stage reached in the negotiations on the common agricultural policy (CAP) and highlights the interests of German farmers.

Source: Süddeutsche Zeitung. Münchner Neueste Nachrichten aus Politik, Kultur, Wirtschaft und Sport. Hrsg. FRIEDMANN, Werner; GOLDSCHAGG, Edmund; SCHÖNINGH, Dr. Franz Josef; SCHWINGENSTEIN, August ; Herausgeber FRIEDMANN, Werner. 23.-24.08.1958, n° 202; 14. Jg. München: Süddeutscher Verlag. "Die Landwirtschaft auf europäischem Feld", auteur:Haushofer, Heinz, p. 5.

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Agriculture in the European arena

Between the Conferences of Stresa and Vienna / The need to consolidate agricultural policy

by our correspondent Heinz Haushofer

Munich, August

The results of the European Economic Community's first Agriculture Conference in Stresa have been commented on from several points of view. The most important of these commentaries, however, appeared in a still unpublished letter from 'grand old man' Hermes (as he is now officially known) to *Heinrich Lübke*. Andreas Hermes was writing in his capacity as Chairman of the Central Committee for German Agriculture, in other words from the broadest base at his disposal, comprising the German Farmers' Union, the Raiffeisen Association, the Association of German Chambers of Agriculture and the German Agricultural Society.

It can safely be assumed that Mr Lübke was expecting such a statement from farming circles on the subject of the final declaration from Stresa and, what is more, that he could not have been expecting it to convey approval on all points. The problems raised in Stresa were, after all, too far-reaching for such harmony to be possible and the wording of the final declaration too ambiguous. Counterquestions cannot be avoided, even if they are as 'civil' as those asked by Mr Hermes.

What are the issues? The free-market liberals criticise the Stresa conclusions for being, from the point of view of the intended intra-European free trade, too half-hearted, too protectionist and too dirigiste. Equally harsh criticism has been expressed by the opposing agrarian wing, which sees the result as unsatisfactory and unsettling, if not downright dangerous. These two critical extremes correspond, on the one hand, to a hostile attitude towards the 'eternal exceptions for Agrarians' and, on the other, to a retreat by farmers to a stubborn defensive position that would do little to serve the cause either.

It has become almost standard procedure, in discussing the common market for agricultural produce, to turn away from the EEC's little-loved common organisation of the market and look instead towards the forthcoming free trade zone — as if all salvation was to be found there. The fact is, however, that negotiations to date on the free trade zone *have not offered a greatly different picture on the agrarian front* from what we have known from EEC negotiations and, finally, from Stresa.

In the debate on the position of agricultural markets in the free trade zone, there has again been much emphasis on 'regulations' and fixed relationships. In this case, the pressure for such provisions is certainly not coming from Germany and the needs of German agriculture. Such regulations are being forced through primarily by the agriculture of Great Britain, the Scandinavian systems and the traditional mountain-farming countries of Switzerland and Austria. We should be clear on the point that the establishment of the free trade zone and particularly the integration of agrarian markets into it is unlikely to produce solutions fundamentally different from those we are familiar with from the EEC.

While this is disappointing for some, others simply receive it with a shrug: 'We expected nothing else ...' Some will, however, come to realise that the correlation between the European Economic Community and the free trade zone on the fundamental issue of the agrarian markets is not just the result of high-pressure lobbying by agrarian interest groups, but may in fact *express certain necessities*.

The next event on the agriculture-policy agenda is the General Assembly of the European Confederation of Agriculture (ECA) that is to take place in Vienna from 15 to 20 September. It will be chaired by the ECA President, Andreas Hermes. To characterise this General Assembly, suffice it to say that the participants, in this case, will not exclusively come from EEC countries. Thus, the first speaker, representing the host nation, will be the Member of the Austrian National Council, Georg Grießner, who will discuss the problems of the mountain-farming economy, followed by the Swiss Professor Howald who will talk about the equally important subject of competition regulations and agriculture.



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An EEC-independent forum in Vienna will thus raise the same two major issues as Stresa: that of *marginal holdings*, operating on the borderline of profitability (cf. in this context the German coal problem) and that of *market regulations*. The question of marginal holdings is the toughest test for those committed to an agricultural policy. It is obvious that its implications cannot be understood by countries with more favourable climatic and soil conditions. It is thus beholden upon countries with unfavourable conditions, such as the Federal Republic and more specifically *Bavaria*, to press for clearer definitions before general declarations on, for example, the abandonment of marginal holdings or even the 'abandonment of areas of chronic marginal production' wreak havoc.

Every expert who has tried to arrive at an overview of the Bavarian countryside can immediately pinpoint our 'areas of chronic marginal production'. Following the Stresa Conference, they like us are faced with the question: 'Shall we give such areas up? — or what else can we do to help them?

German agriculture is aware that its representative at EEC level in Brussels is the Federal Ministry of Food, Agriculture and Forestry. This makes *Heinrich Lübke* the interlocutor to whom every legitimate representative of the food and agriculture sector must turn if they wish to influence the EEC Commission in Brussels. The EEC Commission is now in possession of the Stresa Resolutions and will want — if we are right in our assessment of the main participants' drive — to get down to work very quickly. They have also committed the Members of the European Parliament to rapid action. Stresa has left the Commission with a whole series of specific tasks, the problem of European cereal pricing being just one of them.

Even if we cannot expect any decisions by autumn, we can then certainly expect some crucial initial exploration. Moreover, the German group of 'European MEPs' is expected to present its report to the Bundestag just after the summer break. So quite apart from the specialist tasks that were only hinted at in Stresa, an organisational coordination job of the greatest significance awaits all participants.



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