'Goodbye to Agenda 2000' from the Süddeutsche Zeitung (24 February 2000)

Caption: On 24 February 2000, the Bavarian daily newspaper Süddeutsche Zeitung speculates on the impact of the enlargement of the European Union and of the reform of the common agricultural policy (CAP) on the budget forecasts set out in Agenda 2000.

Source: Süddeutsche Zeitung. Münchner neueste Nachrichten aus Politik, Wirtschaft, Kultur und Sport. 24.02.2000, n° 45; 56. Jg. München: Süddeutscher Verlag. "Abschied von der Agenda 2000", auteur:Oldag, Andreas.

URL:
http://www.cvce.eu/obj/goodbye_to_agenda_2000_from_the_suddeutsche_zeitung_24_february_2000-en-c4faa230-c921-41c5-b010-7c95ecde8e14.html

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Goodbye to Agenda 2000

By Andreas Oldag

It is barely a year since the EU approved, under the title “Agenda 2000”, a comprehensive scheme for its financial planning for the years 2000 to 2006. And yet is is already clear that the decisions taken at the Berlin summit need reworking. Admittedly, EU Budget Commissioner Michaele Schreyer was at pains, when presenting the 2001 draft budget, not yet to announce the demise of Agenda 2000. Yet she must be aware that the figures are no longer tenable.

Too much creative accounting has done the Heads of State or Government a serious disservice. What was sold to the public in Berlin as a major success is no longer worth the paper it is written on. The enlargement to the East is saddling the EU with much higher costs than planned. The Agenda 2000 structure will need to be overhauled by 2003 at the latest. The focus of attention will be the Common Agricultural Policy, which accounts for close on half the EU budget.

The need for corrections results, it is true, from political constraints. Whereas it was originally intended to negotiate with only six candidates for accession, the EU decided at its December summit to extend the field to a further seven hopefuls. The newcomers have caught on quick and are now looking to climb on board the EU subsidy train. The weak point in the EU’s finances is its costly agricultural policy.

The accession candidates, and above all the Poles, more than 20 % of whose workforce is employed in agriculture, are demanding not only to gain access to the EU price guarantee system but also to benefit from direct payments. This would cost the Community something like 12 billion euros a year. Many EU politicians wish, however, to refuse the new entrants direct payments out of the farming budget. Karl-Heinz Funke, the German Agriculture Minister, has come down on the side of the hardliners. They argue that the newcomers have no claim to the subsidies, which arise solely out of the 1992 agricultural reform and thus concern the 15-member Community only.

That is, admittedly, rather a shaky justification. For political reasons the EU cannot seriously contemplate having two agricultural market regimes in an enlarged Community of 25 or 27 States. This would mean the established members continuing to enjoy the full range of farming subsidies, while the newcomers have to settle for less. Where does the solution lie? In the EU finally coming to terms with a fundamental reform of its agricultural policy and radical cuts in its subsidies.