

Report from Bonn by Rainer Apel

German farmers fight EC suicide plan

Resistance is growing to the austerity that threatens to bankrupt farmers and aggravate the world food crisis.

The European Commission (EC), obviously inspired by the U.S. administration's disastrous PIK (Payment in Kind) program, won a major victory in its fight for the destruction of parts of Europe's agriculture on Tuesday, March 13. The EC's ministers of agriculture resolved to implement massive austerity measures against "overproduction," which will hit the layer of small-income milk farmers especially hard. According to the decision (which has yet to be approved by the heads of state), price guarantees for milk and milk products will be restricted to 98.8 million tons in 1984 as compared to 105 million tons in 1983. The intention of this step is to incite farmers to reduce their production, leaving hundreds of thousands with the cruel alternative of either slaughtering their cows or selling them on the black consumer markets for lower prices.

Many milk farmers have invested heavily over the past years, since milk production at guaranteed prices has been the most profitable source of farming income in Europe. The new measures would force many into bankruptcy. For the EC, which is dominated by zero-growth ideologues, and the ministers of agriculture who have been infected by them, the new policy would, as they say, save the community four billion deutschemarks.

The news of these scandalous and suicidal policies struck Bonn at the same time as horrifying news about the mass famines in Africa came in through the media wires. To mobilize

for surplus production and mass supplies of emergency food aid to the famine belts of the world was as far from the agriculture ministers' minds as was the Moon. Instead, they resolved to cancel the currency depreciation compensation paid to German exporters which enables them to sell at lower prices even when the value of the deutschemark rises. This will deprive German farmers of at least two billion deutschemarks in the first year, and at least another one billion in the second year after its implementation. The West German government says it will "save" that same amount of money in its budget.

Together with other cuts of subsidies, German farmers face a loss of an estimated 13% of income in 1984 and 1985. This is in addition to the Bonn government's own estimate that "for various other reasons," there will be an average income loss of 22% for Germany's farmers. Critical observers of the agricultural scene in Bonn have repeatedly remarked that an onslaught on farmers' incomes on that scale would wipe out 100,000 farmers. This is the estimated number of the so-called "poor layer," which consists of low-income farmers who have had problems receiving loans from banks in the past, and will have no chance of receiving credits for expansion in the future because of the production limits posed by the EC's bureaucracy. With future income thus uncertain, many farmers will not plant this spring, and consequently the fall harvest output will be much lower. This may result in the food crisis hit-

ting today's relatively well-fed Europeans as soon as 1985.

"But," said one of the experts in Bonn sarcastically, "we are in a much better situation than Ireland, which secures 8% of its total GNP by milk production. Imagine what the new measures mean for that poor country."

The Irish are known for being rebellious, and the Germans for being quite the opposite—but this might change soon. The German Farmers Association, the Bauernverband, has announced it will not swallow the EC's new policy and will launch a wave of mass demonstrations by its members. The first such mass event will be at the Westfalenhalle in Dortmund, that city's largest conference hall, and thousands of farmers are expected to come. Members of the Bauernverband's base have repeatedly warned they will not allow the dairies to become the EC's "milk police" to monitor what can be produced and what not, and have threatened spectacular actions.

But this is mere resistance, rather than a program for a solution, and all the farmers' mobilization might well end in "riots of despair" on a mass-scale. Political intervention is required—however, the big political parties in Germany have failed to take up a viable opposition against the widely-hated EC.

The European Labor Party (EAP), which held its convention on the European Parliament elections in Worms, West Germany, on March 18, has therefore presented an urgent call for a crisis program to save Europe's agriculture from collapse. The call urges the provision of cheap credits to farmers to enable them to produce at full capacity, and thus contribute to solving the present food crisis. The EAP added a special call for an emergency food aid program to provide relief to the African famine zones.