## EMBARGO: 26 JANVIER 1984 A 20HC

Address given by Mr Poul Dalsager,

Member of the Commission of the European Communities

at the opening of the Grüne Woche in Berlin

26 January 1984

Mr Mayor,
Ministers,
Your Excellencies,
Ladies and Gentlemen,

I should like to thank you for again granting me the honour of attending the opening of the Grüne Woche, which is such an impressive event for farmers, the food industry and consumers alike. I speak on behalf of the European Community, to bear witness to the solidarity of the 270 million inhabitants of its ten Member States with the city of Berlin.

The Grüne Woche is being held at a historic moment. The European Community is at the crossroads. Whereas the Stuttgart Summit gave us hope that the Community might take a major step forward, Athens brought us disenchantment. In the very cradle of Western civilization, we found ourselves faced with the difficult task of finding a path between bankruptcy and Utopia. There is still hope that we can find that path; since 6 December 1983 it has been recognized in almost all the Member States that there is no alternative to the Community.

We are all aware of the close interconnections between the various parts which made up the package agreed at Stuttgart.

More own resources, the development of new policies, the enlargement of the Community, and better control over expenditure - are all closely interdependent objectives. Unless constructive solutions are found in each of these areas, nothing practical can be done in the others.

This also involves the agricultural policy.

Agricultural policy can help or hinder the achievement of equilibrium:

- it can help, if without jeopardizing the livelihood of the farming population, we bring the quantities produced closer into line with market requirements;
- it will hinder if that strain on the consumer's purchasing power becomes too great and budgetary expenditure grows disproportionately fast. I should also consider it a hindrance if agricultural policy were to become a bone of contention between our international trading partners and ourselves.

Over the years the Commission has made countless proposals to ensure that the agricultural policy makes a positive contribution.

These many proposals have included:

- the guidelines for European agriculture, put forward in 1981;
- the memorandum of July 1983 listing answers to the questions arising at the Stuttgart Summit;
- the price proposals for the 1984/85 marketing year, presented only two weeks ago.

The thread running through all these proposals is the idea that the agricultural policy should make a positive contribution towards meeting the challenges of our time, on the following basis:

- the principles underlying the agricultural policy remain the same;
- with 12 million unemployed and only tentative signs of economic recovery,
  the agricultural sector must not become an arena for cut-throat competition;
- the problems of surpluses must be tackled by scaling down the unlimited guarantees and by introducing a greater degree of producer co-responsibility. A restrictive price policy should be applied to limit the burden on the Community budget; this will make rises in agricultural incomes largely conditional on increased productivity;
- we thus expect European farming to make certain sacrifices. In view of these sacrifices we also feel justified in expecting flexibility from our main suppliers during negotiations on the stabilization of their exports.

  The Community is still the world's largest importer of agricultural produce and foodstuffs.

We cannot be expected, however, to cut back our surplus production and at the same time continue to grant free access to products which contribute towards the formation of surpluses. This would entail the permanent disruption of our markets and production systems. We do not wish to enlarge our share of world trade. We simply wish to keep that fair share which we obtained at the most recent Tokyo Round negotiations.

The consumer will continue to derive benefits in the form of:

- a wide range of products on offer; the variety and quality available can nowhere be appreciated better than here at the Grüne Woche;

- stable market supply
- reasonable prices. In the past, indeed, food prices have usually risen less than inflation. The agricultural price proposals for 1984/85 are moderate enough to ensure that basic farm produce will not be responsible for any price increases.

We therefore have our agricultural system to thank for the fact that we are preserved from the fate that daily befalls millions of people elsewhere in the world, where famine and undernourishment are among the common hazards of existence. And indeed European agriculture should help in the fight against hunger in the world.

The close interconnection between the common agricultural policy and the other parts of the Stuttgart package mentioned earlier is, however, not only a budget problem. There are also direct links in the Commission's proposals for the development of new policies. These involve primarily sectors in which the Community has lagged behind the United States and Japan, including biotechnology, which offers untold possibilities of using agricultural produce to supply energy and in the manufacture of chemical and pharmaceutical products. It opens new horizons for the development of new animal and plant-types. The rapid progress of this policy is of the utmost importance to us agricultural policy makers.

What happened during the Stuttgart-Athens period did not only show us, however, that there were problems concerning the subjects for negotiation: it also brought institutional weaknesses to light. We cught not to rely on special bodies any longer. We should return instead to the long-standing practices in relations between the Commission, Parliament and the Council of Ministers. Specialized questions must be decided by specialists. Top politicians ought to concentrate exclusively on key political issues. The second half of 1983 clearly showed us the risk of distortions. We live in a complicated world. We cannot, as politicians, avoid having to deal with technical questions, but we ought to get the problems into focus so that the urgently needed decisions can be reached in the appropriate manner. I think Athens has made us realize that there is otherwise a very great danger that our Community may break down completely.

But I am confident that we have all learnt something from these experiences and will draw the right conclusions.

The European Community is exceedingly important for each and every one of its citizens: it has preserved their unity and freedom and it has brought them prosperity. It is for Europeans the best guarantor of peace and security.

Despite all the current difficulties, I am firmly convinced that the Community will not only survive but will also find new strength and dynamism. It is up to all of us to play our part in showing solidarity with our partners and overcoming the self-interest of the individual countries.

The conclusion Walter Hallstein drew from his experience of the agricultural policy was the comment: "The most important thing is the determination to grasp the opportunities as they arise". Our opportunity is here and now.

We are in Berlin, ladies and gentlemen, the bastion of the free world. Let us draw our inspiration from the spirit and strength of this fine city.

In this context also, I wish the Grüne Woche great and lasting success. Thank you very much for your attention.