

## EUROPEAN PARLIAMENT

# Working Documents

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### MOTION FOR A RESOLUTION

tabled by Mr PRANCHERE, Mr MAFFRE-BAUGE,  
Mr MARTIN, Mrs DE MARCH, Mrs POIRIER,  
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Mr DENIS, Mr FERNANDEZ, Mr FRISCHMANN,  
Mr VERGES and Mr WURTZ

pursuant to Rule 25 of the Rules of Procedure

on the present crisis situation in  
agriculture, in the context of the  
common agricultural policy, in France  
and in the other Community Member States





- considering that the rural exodus has created dramatic problems in a number of regions, many of which are being drained of their populations. According to a study by INSEE in 1975, those actively engaged in agriculture numbered 2,026,000 (including 610,000 women). In 1982 the active population is expected to fall to 1.5 million. On this projection by 1989 there will be less than 1 million people actively engaged in agriculture (including 260,000 women). A total of 2 million people have left the land over the last twenty years.
- considering that farm incomes have been falling for six years and will fall again in 1980 for the seventh consecutive year, rising costs of production and inflation, combined with low production prices being the first and major causes of this situation,
- considering that this low incomes policy is leading to a dangerous situation where failure to meet payments and bankruptcies - which include young farmers only recently set up in business - and annual carry-overs of payments are increasing in a disturbing manner,
- considering that, in France, this has caused a drop in productive investment, compromising agricultural financing, with the resulting imbalance posing a threat to the country's overall agricultural development, since 93% of French farms are small and medium-sized family farms whose difficulties are being increased through inflation, rising production costs, the erosion of their savings and rising rates of bank interest,
- considering that this serious situation is exacerbated by the existence of monetary compensatory amounts. This unfair system penalizes all French farmers in the interests of countries with strong currencies such as the Federal Republic of Germany. Monetary compensatory amounts in effect act as a tax on French exports and a premium for imports from other EEC countries such as the Federal Republic of Germany and Holland,
- considering that agricultural debt is reaching unprecedented levels (80% on average of the value of the harvest in 1978) and that income inequalities and regional disparities have worsened,

- considering that the abandonment of the land and agricultural production has created unacceptable levels of dependency in a number of essential sectors. Imports are now increasingly replacing goods that France used to produce herself,

1. Stresses that the government of any Member State can veto the implementation of this policy in the Council;
2. Notes that despite this possibility, all Community institutions and governments of Member States have always reached agreement on adopting and implementing this disastrous policy;
3. Notes that the principles of the Common Agricultural Policy are not being observed, in particular by certain Member States;
4. Notes that the desire to restructure agriculture in France by appealing, in particular, to ideas of profitability and competitiveness can only result in stepping up pressure on farm incomes and enhance the profits of a few agribusiness multinationals in particular, on the world market;
5. Notes that efforts and pressures aimed at restructuring the Community budget by pointing to the excessive growth of agricultural expenditure reveal a desire to sacrifice agriculture, in particular French agriculture, and are aimed at supporting the redeployment of major industrial and financial groupings at European and world level by making available increased funds to accompany policies of restructuring and redundancy;
6. Stresses that the essential objective therefore consists in inducing workers and farmers to accept more readily the disastrous consequences of this redeployment and of enlargement by devoting a large part of the Community budget to financing related social projects;
7. Notes that however acceptable this auxiliary social financing may be, having regard to the seriousness of the crisis, it cannot justify the sacrifice of agriculture, nor can it make industrial plans for restructuring and redundancies any more acceptable. The amounts involved are moreover derisory by comparison with what is now necessary to raise the incomes of consumers and of all workers with a view to maintaining development in agricultural production;

8. Urges the Commission and the Council to make available the funds necessary to ensure that each Member State can provide the necessary preconditions for coherent development of its own agriculture, and guarantee farmers an adequate and growing income;
9. Urges the Commission and the Council in particular to fix each year a level of price increases corresponding to the growth in production costs and the rate of inflation;
10. Urges the immediate and complete cessation of all negotiations and projects with the objective of preparing for the enlargement of the common market;
11. Calls urgently for the total and immediate abolition of compensatory amounts;
12. Calls urgently for a number of immediate measures to be taken, including:
  - \* taxes on vegetable fats and oils imported, in particular, from the United States,
  - \* immediate and total abolition of the co-responsibility levy and the dropping of any plans for a supplementary tax or levy,
  - \* unbinding of customs duties on sheepmeat fixed by the GATT agreements,
  - \* an end to beef and veal imports that are destabilizing the market,
  - \* an immediate stop to the implementation of plans for restructuring and grubbing up vines in favour of a quality policy,
  - \* observation of national quality standards such as the 'appellation contrôlée' system for wine, or rules for the rearing, preparation and packaging of certain poultry meats;
13. Calls for a genuine food-aid policy free of discriminatory and unfair political considerations;
14. Calls for an end to talk of surpluses when so many needs continue to go unsatisfied both in developing countries and in European countries;
15. Calls for the introduction of a major agricultural export policy to stimulate the development of production and trade by the Member countries;

16. Notes that the recent decisions taken at the Council of Foreign Affairs Ministers on 30 May and subsequently at the Venice European Summit of 12 and 13 June 1980, and which were endorsed by the European Assembly at the budgetary sittings of 26 and 27 June 1980, provide neither the concrete means nor the necessary preconditions for the above objectives, but tend rather to indicate the agreement of all those concerned to continue in a politically unacceptable direction;
17. Stresses that, the decisions taken will, however, only lead to a seventh year of falling farm incomes, and are already being used as an excuse for policies aimed at dismantling existing structures and moving towards a restructuring of agriculture which will have extremely serious consequences for all small and medium-sized farmers in France in particular;
18. Is convinced that the means do exist for meeting the income and agricultural development needs listed above, in particular taxes at national level on the large agribusiness trusts and other multinational undertakings such as the petroleum companies;
19. Is aware that guidelines of this kind will not come into operation of their own volition but will require a determination on the part of those engaged in agriculture to campaign for their application in the particular conditions prevailing in each country;
20. Nevertheless, welcomes the numerous and powerful campaigns by farmers, such as that now being conducted in France, as a positive and encouraging first step for the future.

## EXPLANATORY STATEMENT

In the French countryside, and in the country as a whole, the campaign is growing and becoming more widespread. Tens of thousands of farmers, wine-growers, stock breeders, most of them small and medium-sized family farmers, are demonstrating their dissatisfaction.

Hundreds of thousands of farmers feel that their very existence is threatened. Sheep farmers, dairy farmers, southern wine-growers ... all are expressing concern, and refuse to accept that the very basis of French agriculture can be called into question.

The land, the country's national inheritance and a living resource is a basic source of wealth that is being sold off in the interests of a small number of big capitalist companies and financial interests.

The primary reason for the current crisis in agriculture is undeniably a totally unacceptable systematic policy to lower production prices. Family farmers are the first to be hit, and are hit hardest. It is above all because farmers are not being guaranteed adequate prices that French agriculture is being put at risk, and that the rural exodus, high debt levels and the decline in productive investment are assuming alarming proportions.

This is why there is a legitimate and deep dissatisfaction among French farmers. The campaign for reasonable prices is a campaign for survival.

It is also a campaign for the future, i.e. for the development of agriculture.

There are other important reasons for this crisis, in particular structural policy. The structural policy adopted by the Community has been a deliberate and organized failure. The Community's objective was to modernize farms and reduce inequalities in income. But only 1.4% of all Community farms have taken any steps towards modernization. And of these 1.4% only 0.2% of French farms (3,338 to be exact) have benefited from development plans, the small family farms having been quite unable, at any time, to qualify for modernization aid. Moreover, it has been the rich regions that have had priority in Community aid, in particular in the Federal Republic of Germany (27,000 farms).

This structural policy has thus benefited the strongest and richest to the detriment of the weakest, the small and medium family farms.



But this outcome is not a matter of pure chance. It is the Commission of the European Communities itself that is preventing precisely those who need it most from gaining access to its aid. This kind of structural policy thus complements and aggravates an unfair prices policy which reduces incomes, prevents modernization from taking place and has provoked the crisis in which we find ourselves today.

The Commission's official objectives for the future, as regards structures, are even worse. They contain essentially three measures:

- abolition of aid to the pigmeat and dairy sector, using surpluses as an excuse;
- a prohibition on growing under glass (unless an alternative source of energy would otherwise be used ...)
- maintaining and institutionalizing low incomes.

The impact of these measures in France will be a catastrophe for entire regions where dairy production and cultivation under glass for example are the only meagre source of income. Thus after planning the grubbing up of vines, thereby accentuating regional disparities, the Community is now drawing up a programme to wind up dairy and pigmeat production. It is easy to see how such a policy will lead to anger and resentment in the French regions.

Responsibility for this situation lies with the Community and the Member States that are now agreeing to the enlargement of the Community to include the three applicant countries, Greece, Spain and Portugal.

Enlargement is an objective pursued by the Community countries together with the United States of America in order to take advantage of a working class that is even lower paid than in the present Community countries and to further a bad policy, i.e. to strengthen NATO and the Atlantic bloc. This is borne out by official Community documents which themselves indicate that enlargement will have very serious consequences for the industrial sectors and for the agricultural production (fruit and vegetables, wine, flowers, etc.) that are critical to the prosperity of certain regions, like the South of France, Languedoc-Roussillon, the South West of France, or Brittany. Enlargement of the EEC to include the United Kingdom was the Trojan Horse that opened the gates to invasion by mutton and lamb from Australia and New Zealand. The accession of Spain and Portugal will be the breach through which will pour torrents of beef and veal from Argentina.

The same documents also prove that enlargement will seriously affect the economies and agriculture of the applicant countries.

What will happen to agriculture in France, and what will be the future of its regions, if this disaster is allowed to happen? Its entire life-style, its basic economic and cultural fabric will be threatened. When men and women leave the land which they have made fertile, the village school and the village community go with them.

#### WHY HAS THIS SITUATION ARISEN?

The declared objective is as follows: it is a question of making French agriculture profitable and competitive for a few multinationals on the world market.

Profitable to whom? Depopulating the regions, abandoning the land and its produce, ruining family farms, these are not ways of making agriculture a major source of national wealth. The reverse is true because this policy has only aggravated the crisis and increased the profits of a few American, or British, or other multinational companies in agribusiness, in the import-export trade, in financial operations, or in industry, leaving consumers at the mercy of the monopoly prices which they fix.

Everything is now being done to serve the needs of monopolistic restructuring. The objective is to align agriculture in France and in the other EEC countries with the world market in order to reduce prices and force the weakest to leave the land. Enlargement will make this objective easier, as has the effort to bring pressure to bear on the price of lamb and mutton and beef and veal sold in Europe by importing from New Zealand, Argentina or elsewhere.

This approach is profoundly at variance with the interests of France, in particular those of its farmers and consumers. It will be handing its agriculture over to domination by American multinationals and by the United States, which has no hesitation today in using the food weapon against the poorest countries of the world.

It also has a more specific objective. It is intended to depress food prices as much as possible, thereby bringing pressure to bear on the wages of all workers.

But this is a fundamentally unsound calculation for several reasons. Firstly because it is not increases in agricultural production prices that cause inflation. The impact of increases in production prices is reflected in very much lower rates of increases in consumer prices. Secondly, because this kind of low-incomes policy leads to under-consumption and austerity, slows the rate of productive investment in agriculture and in the economy as a whole, and thus accentuates the crisis.

If provision is now being made for restructuring, for structural modifications, for transfers of funds in the European budget to assist in the implementation of industrial plans for redundancies and liquidations, if lower production prices are being planned, the sole intention is to enhance the profits of a few large companies and to bring about transfers of wealth for their profit alone.

Apart from the Communists and Allies, there is moreover unanimous agreement among all political forces in Europe on this policy.

In order to get support for this approach it is now being claimed that there is too much milk, too much sugar, too much meat, too much wine in France and in the other Community countries. It is also being said that production must be limited, the farmers must be taxed and taxed again, farms must be restructured to make production more 'profitable' by accepting lower incomes. The whole thing is an absurdity and a scandal. How can farmers be asked to accept cuts in their income and then be expected to pay for increases in their production costs?

How can there possibly be too much of any foodstuff at all in a world in which according to the World Bank there are 800 million 'absolute' poor, and where millions of people, the aged and children, in our own countries cannot even afford to eat decently?

How can it be claimed that agriculture is being developed when this Malthusian policy makes unemployment and rural exodus inevitable and sacrifices to the gods of supranationality and integration the very people who could make agriculture a source of wealth? Agriculture must have an important place in France and in Europe. Prosperous agriculture is an indispensable condition for the food supply of each country. With its essential basis in the family-type of farm, French agriculture must absolutely guarantee both a reasonable and sufficient income to all farmers and farm workers, who also suffer from low incomes, a heavy work-load and difficult working conditions.

Agricultural development must also maintain secure trade links, in particular within the EEC, by guaranteeing the independence of each country, especially vis-à-vis the United States, the Federal Republic of Germany and the United Kingdom, and by guaranteeing real cooperation.

The common market exists. It is a reality which must be taken into consideration. Many are taking advantage of it today to try to call agriculture in France and the living of hundreds of thousands of family farmers into question. The same people are also trying to override the principles on which it is based in order better to achieve their objectives. That is unacceptable. Guaranteed prices and the Community preference in particular must be observed by all countries, as a matter of respect for the sovereignty of each.

International cooperation and solidarity are also very important questions. One thousand million people go hungry in the world today. In other words one thousand million human beings are deprived of the most basic of human rights - the right to enough to eat, the right to live. The development of agricultural production is thus a forward-looking and vital act of humanity which no one can afford to underestimate or ignore. The use or threat of the food weapon by the United States or the European Community, be it against Vietnam, Cambodia, or any other country, is therefore unacceptable. We must show solidarity with other countries and peoples, in particular with the poorest, without the least discrimination.

France and the other Community countries and the United States are rich countries, even if their wealth is being monopolized by a tiny number of capitalists. These countries therefore have the means to cooperate and assist each other in taking action for development. This is a major task which the leaders of our countries must not be allowed to shirk, as they are doing today. There are those who assert that there is a contradiction between the interests of the people of the Third World and of people in the developed countries. It is assumed that the developing countries will compete with us on our own markets.

Nothing could be further from the truth, because most of the products which we import originate, both in variety and in quantity, in developed countries (especially fats and oils from the United States). And what sense does it make to talk of competition when so many needs remain unsatisfied?

There must therefore be cooperation and respect for reciprocal national interests. This implies categorical rejection of enlargement of the Community. How can we accept a form of cooperation that calls into question the very basis of our economy in entire regions? We would in effect be cutting ourselves off from one means of production, the means of trade, the means of cooperation.

To defend and develop agriculture means at the same time maintaining a natural economic balance.

We must show greater economy of the means of production, safeguard nature, the rural environment and the land, and protect the living environment of the people. Young people must be helped to make a start in agriculture, and decision-making and management structures must be democratized.

Safeguarding agriculture and those who make it productive also means maintaining the life of the regions. People want to live on the land. And they are right to do so. Everyone who so wishes must be given the option of staying, and that means jobs, schools, hospitals, public services, and everything that goes to make up the life of a community at local, departmental and regional level. This necessarily implies more democracy at all levels, as demanded by workers, farmers and all who wish to live in freedom, more and more of whom are prepared to campaign to ensure that they can do so.

Everything possible must be done to strengthen the campaign by farmers against the present policy to dismantle agriculture and the projects designed to intensify it.

The crisis in agriculture cannot therefore be considered in isolation from the far-reaching world crisis which is affecting all Community countries.

Thus there cannot be agricultural development or any decisive improvements in the situation of farming families without general growth in the purchasing power of all workers and major progress in creating jobs with the objective of full employment. This will mean calling an immediate halt to the Community's industrial plans.

By the same token these objectives cannot be realized without sufficient growth in production as a whole, in particular agricultural production. That both presupposes and implies the widest possible trade cooperation within and without the Community and a real export policy. In this sense the campaign by French farmers coincides with campaigns by all workers against austerity, unemployment and waste.

