

## Agriculture by Marcia Merry

### Oilseeds were never the real issue

*Last February, a French Senate report warned of the U.S. drive to sink Europe with "economic liberalism."*

If you get your news only from the U.S. media, you would think that the only reason why European farmers have taken to the streets is because they are hotheads and are reacting with "typical" violence against the recent deal struck by U.S. and European Community (EC) negotiators over oilseeds.

In reality, the "deal" is a set of sweeping measures that will subvert the agricultural base of Europe. For example, as much as 35% of arable acreage could be proscribed from producing food or feed crops. These proposals follow similar deep cuts made this spring in the EC Common Agricultural Policy (CAP) at the behest of the United States.

In fact, the recent U.S. trade war belligerence over oilseeds is an attempt to pit France (the largest EC surplus food producer) against its EC partners, especially Germany, and make way for U.S. financial and economic domination.

This latter agenda was exposed in a report to the French Senate issued in February 1992, and based on a mission of 10 French senators to the United States during Sept. 15-17, 1991. French journalist Christoph Lavernhe has provided *EIR* with excerpts from the Senate report, which we have translated, in order to give background to the current upheaval in Europe.

The conclusion of the February report was that Washington was using the General Agreement on Tariffs and Trade (GATT) and the issue of "reform" of the CAP as weapons for ex-

tending U.S.-dominated economic liberalism throughout the world.

The senators warned, "The Commission on Economic Affairs and Planning formulates the wish that the necessary defense of the agricultural interests of the Community continues to prevail over the concern to make CAP compatible with the conclusions proposed in the GATT negotiations.

"Otherwise, it would mean a unilateral renunciation by the Community of its natural commitment to being a great agricultural power."

The Senate report noted that with the arrival of the senators in the United States, "it rapidly became clear that the agricultural file would be monopolizing the core of our tour and of the meetings. Most of the American representatives we met were very unresponsive to openings made by members of our delegation to discuss other issues (the intellectual property, services, and the Airbus dispute) and systematically brought the discussion back to the agricultural problem.

"This stress on the agricultural file has reinforced the delegation's feeling that, within the current multilateral negotiations, it is the United States that willfully makes the 'liberalization' of agricultural trade the central point, and the eventual occasion of failure of those negotiations."

Whether by "profound conviction or tactical position, the Common Agricultural Policy has been systematically placed in the position of the accused. . . .

"This analysis, whose Manicheanism makes it more like a witchhunt

than an objective analysis of the problems induced by the different agricultural policies, the United States has apparently succeeded in having it accepted by most nations participating in the current negotiations.

"Loaded with all sins, the CAP has become, in the eyes of the international community, a useful scapegoat and the perfect excuse for an eventual failure of the negotiations. . . .

"We must say it clearly: Behind the alibi of free trade, the United States wants to take back the market share it has lost, to oust the Community from the international markets, and to dismantle our Common Agricultural Policy.

"If we came back from the United States convinced that it was imperative not to yield to American pressure, the delegation also became convinced that the effort under the GATT negotiations to reform CAP should be resisted. . . .

"All denials aside, as it is envisaged, the reform of the CAP is written the same way, with its system of direct aid closely tied to deficiency payments, its forced land set-asides, its indexing of EC prices down to international levels, its financing by taxes rather than the consumer, from the standpoint of rallying toward the 'American agricultural philosophy.'

"It is necessary to reform the CAP after 30 years," the senators agreed. But, they continued, the EC cannot proceed "to limit its own agricultural potential and to withdraw from international markets. The delegation rejects such a hypothesis. . . .

"The dispute between the United States and the Community does not stem from a conflict between two logics, one protectionist and one liberal, but rather from competition between two exporting powers whose practices are incompatible with the principles of free trade."