

“Harmonizing” will reduce the quality of food drastically; therefore, the Commission is doing things that will get consumers used to its policy in time. The lifting of purity laws, as in the case of beer and pasta, is the first, logical step. If the purity law is lifted in the case of cold cuts and milk too, as is expected, then the farmer will have nothing to do with food production anymore. Then even the raw materials of food will be produced by Unilever or Nestlé.

Soviet-style bureaucrats

The Brussels bureaucrats seem committed to using the policy of harmonization of taxes and fees in every country, as an excuse for increasing taxes across the board. In addition to taxes, every farmer and producer will be burdened with so many regulations that they will be swamped by paper work of the sort known now only in the East bloc. What is happening to the wine industry can easily be transferred to other sectors, like grain production. The heads of state decided at

their last European summit to limit the grain harvest of the European Community to 160 million tons. If this amount is exceeded, the EC will collect a producer tax of 3%—on top of the 3% which has been collected for years.

The Commission has decided on the following simplified procedure—one that feudal barons would have been delighted to enforce. Both 3% taxes are due *in advance*. If it turns out that the grain yield remains below the upper limit, the already-taxed farmers can apply for a refund on taxes they have already paid. Applications must be picked up from the local authorities and have to be turned in with appropriate receipts and documents. Then the Commission will decide if and when these unduly raised taxes will be returned. Not only will the clerks be overburdened with paper, but the middlemen in the farm sector as well; taxes will have to be collected directly from the farmer, who, in his free time, will have to do the paper work for the Brussels authorities, free of charge. The revenues realized from this extra tax will only be a

There is no food surplus

Butter production in the European Community has fallen by almost 30%. All dairies without exception complain that they do not even receive enough milk to satisfy butter demand in their local areas. The former EC “butter mountain” has melted down to the indispensable minimum. Since current production is lower than current consumption, the dairies have already announced price increases and supply bottlenecks. This has consequences not only for the consumer in the EC, but also for the whole world, because the EC is the world’s largest exporter of milk products. Not only has the quota system hurt the farmers, but they are now supposed to pay for the shortages. Milk powder is an essential part of mixed feed for cattle, and milk powder has been in short supply in the EC for a long time.

The feedstuff industry already purchases milk powder in the United States, making the mixed feed that the farmer depends on significantly more expensive. The Association of European Mixed Feed Industries warned in June 1988 that the feedstuff supply may not be guaranteed in the future, due to empty warehouses and decreasing production. Here, too, whopping price hikes are occurring. The effects of this policy on the world food supply can only be called apocalyptic.

- World milk production stagnated in 1987, and will decrease in 1988.

- The world output of sugar, another supposedly surplus product, will be lower than consumption needs this

year—making sugar production lower than demand for the fifth year in a row.

- World grain production is decreasing significantly, and the world output of soybeans, the most important feedstuff, would have been below current consumption even without the severe drought in the United States.

- Production of fish meal, the most immediate substitute for soy, suffered a dramatic collapse of 10.7% in 1987.

- Meat—especially beef—production, is growing. But the higher figures of slaughtered animals are due exclusively to dairy production cuts because of the milk quotas and drought. With the destruction of the herds, the beef market will collapse, and its collapse will be all the more complete. Shortages are just ahead, now even for the “fat” part of the world.

It must be kept in mind that all figures and calculations cited always refer to demand associated with strong purchasing power only, not to the actual worldwide food needs. As for feeding the world population, agriculture had to give up long ago, thanks to national regulations. World hunger is not a distribution problem.

Even in times of the highest mountains of surplus, food supply fell short of feeding the world population. The largest grain harvest ever recorded by world agriculture was 1.8 billion tons in 1984. But to supply 5 billion people adequately, we would need between 3.4 and 3.6 billion tons of grain, including rice, per year. This would mean a doubling of the previous record harvest. The 1984 result has not even been approximated since, due to various measures to curtail production in the United States and Europe.