'Cut-price summer' from Der Spiegel (7 November 1977)

Cut-price summer

This year, the EC is paying 190 million marks to buy up agricultural surpluses. Fruit and vegetables are nevertheless being destroyed.

Swarms of pests hung over the fields and forced the farmers back into the village, even in the fairly cool afternoon. Yet as early as the next morning, shortly before sunrise, near the northern Italian city of Ravenna, peach farmers were making mounds of rotten fruit: new targets for clouds of wasps and bluebottles.

In other villages, near Bologna and in the Mezzogiorno, one of the poorest regions of the prosperous European Community of the Nine, farmers were using bulldozers to crush and bury crops. In recent weeks, they have destroyed around 41 000 tonnes of Italian peaches.

'Naturally such images stir up emotions,' admitted Jürgen Detken, Head of the Department of Agriculture at the German EC Embassy in Brussels. It is particularly at times like these, in the face of such destruction, that the European consumer learns that high prices in the shops and destruction of surplus are an everyday reality of European agricultural policy.

Europe's fruit farmers destroy hundreds of thousands of tonnes of apples, pears and peaches a year and are even rewarded for doing so by the European taxpayer — 190 million marks this year. Moreover, according to Nikolaus van der Pas, spokesman for the EC Commission on agricultural policy, 'Officially, destruction does not constitute an intervention measure.'

However, the EC authorities in Brussels always have to step in to protect farmers when the price of their produce falls far below the threshold that the Commission sets as the 'market price'.

The Brussels authorities, however, rarely give details on how they calculate this price. At all events, for fruit and vegetable farmers, who have been subject to the common organisation of the market since 1962, the safety net is much lower than for cattle breeders, who have less cause to fear price fluctuations.

Not until farmers, for example in the south of Italy, receive less than 50 % of the established market price from their customers because of an abundant yield, or are even left with their peaches, does the State rush to their aid and buy up the surpluses at half the market price.

Admittedly, according to Article 21 of the market regulation, this fruit ought to benefit certain consumers, at the very least. It must be supplied to schools, homes for the elderly and hospitals free of charge, or else offered to industry as fruit for food processing or for distillation into pure alcohol.

Agricrats in Brussels, often criticised for their policy of high pricing, like to point out that, since 1967, only between 3 and 6 % of European fruit harvests have been 'withdrawn from the market' in this way.

Owing to changeable weather, any kind of sensible planning has proved impossible for fruit farmers. In actual fact, between 1968 and 1974, there was either a spring frost which reduced the harvest by a fifth, or a temperate summer which brought farmers an apple surplus.

Both are expensive for consumers in the club of the Nine. Around 500 000 tonnes of fruit were withdrawn from the market by agricrats in Brussels in the 1974–75 financial year so as to prevent the price of apples, peaches and pears from collapsing. To this end, Brussels paid around 160 million marks.

The summer of the century in recent years eventually led to a veritable campaign of fruit destruction and, in the end, resulted in the highest bill ever in the history of the EC for the Brussels Treasury. Approximately 1.1 million tonnes of fruit, including 355 000 tonnes of peaches and 328 000 tonnes of pears alone, did not reach the paying consumer.

One industry which stood to gain from the pear surplus was the liquor industry, which bought 96 % of the unsaleable fruit at low prices. The fruit surplus last year cost the Brussels EC Treasurers almost 500 million marks. In the year that is currently drawing to a close, this will now improve — because bad weather over the summer came to the aid of the Agriculture Paymaster.

Nevertheless, Italian fruit farmers found it more profitable to destroy approximately 41 000 tonnes of peaches. The German specialist journal ‘Fruit Trade’ is incensed: ‘It is absurd that we are producing not only for demand but also for destruction.’