U.S., European farm policies shaped by Trilateral strategy

by William Engdahl

The new French agriculture minister, François Guillaume, flew to Brussels at the beginning of April for the European Community (EC) ministerial talks on farm price levels for 1986-87. Guillaume told press in Paris that he is committed to raising income for European farmers. He termed the proposal of EC Agriculture Commissioner Franz Andriessen (Holland), which would institute severe reductions in the prices paid to farmers, "unacceptable." He demanded the body "make other, more serious proposals."

As Guillaume pointed out, the primary objective of the 29-year-old Treaty of Rome which established a Common Agriculture Policy for the nations of the European Community, is to maintain adequate income for European farmers.

According to the European farmers' umbrella organization, COPA, net farmer income in the European producing countries plunged by 12% in 1985. COPA also estimates that the latest price austerity proposals from Andriessen would mean new income reductions of farmers of 12-15%, through reduced price supports and select production taxes, a so-called co-responsibility levy on cereal grains.

The surprise entry of Guillaume, until mid-March the president of the largest French farmers' organization, the 700,000-member FNSEA, came as a result of cabinet changes following the French elections in March. The addition of a strong advocate from the French side is expected to strengthen the position of West German Agriculture Minister Ignaz Kiechle, who last year invoked West German veto rights rather than accept sharp EC support price cuts.

EC surplus stocks are now at record levels, since farmers who cannot sell their product at acceptable prices are guaranteed EC purchase for storage, and have been increasingly forced to exercise that option. The resulting surplus in the EC intervention storage for beef, butter, and grain products is now being used as a major club to implement "U.S.-style" farm-price austerity.

Earlier in March, West German Finance Minister Gerhard Stoltenberg, a member of the secretive Trilateral Commission, told Brussels EC administrators that budget austerity will be demanded of them. Stoltenberg's budget austerity line would undercut farmers' attempts to reverse a situation of financial catastrophe which, by reliable estimates, is now destroying tens of thousands of West German farmers—with the survival of Germany's Christian Democratic government under Helmut Kohl very much on the line.

The situation of Western European farmers more generally has reached a level of crisis not seen since the imposition of the Common Agricultural Policy in the late 1950s. And, as the Stoltenberg case would indicate, in this crisis, the policy-options being presented in Brussels and in member EC capitals have been carefully prepared by a secretive club of insiders closely tied to international bank and grain-cartel companies. In all principal features, both U.S. and EC farmers are being destroyed in a process of cartelization which intends to destroy national family-unit farming and replace it with giant, supranational food cartels or combines such as Unilever of Holland and Britain, or Nestlé of Switzerland.

Trilateral agriculture strategy

Using monies provided by the West German Robert Bosch Foundation, Pierre Lardinois, chairman of the multinational Dutch agriculture bank, Rabobank, supervised a policy study for the Trilateral Commission which was completed last year, at approximately the time that the then-U.S. Agriculture Secretary John Block delivered the final Reagan administration 1985 Farm Bill to Congress. The Lardinois strategy attacks the EC for having a "quite rigid and high price system of guarantees for cereals, protected by levies on imports and subsidies on exports." It calls for the European Community to implement a more "market-oriented system." The "market" the Lardinois report refers to, of course, is the market controlled by the multinational network of agriculture trading companies and banks such as Chase Manhattan and Rabobank which finance international food exports.

Since the early 1970s when then Secretary of State and Trilateral Commission Executive Director Henry Kissinger brokered the first massive Soviet grain deal, the "free market" in agricultural products has been hostage to Russian grain demand fluctuations. With collapsing economies in developing sector regions blocking import of needed grain and other agriculture products, the Soviet market has become all-controlling. This market in turn, is controlled by a tiny handful of giants such as Cargill, Continental, Dreyfus, and banks such as David Rockefeller's Chase Manhattan.

In France, the Soviet channel is monopolized by Gorbachov-intimate Jean-Baptiste Doumeng, whose firm SOCOPA was just involved in a scandal over insider-trading involving Brussels EC officials and the Soviets. Involved was export of EC surplus beef to Moscow at give-away prices.

The Trilateral program does not stop at the European borders. It advocates that in the United States as well as Europe, "Levels of protection should be significantly reduced" and that "domestic producers be faced with some degree of competition from the international markets." Further, they demand that the "trilateral countries [United States, EEC and Japan] should move together in achieving more "market-oriented" policies for agriculture."

So, the policy of the Trilateral Commission is clear: In the middle of the worst income and price depression ever experienced by U.S. and European farmers, collapse control of traditional farm ownership into the hands of the multinational combines, giving these global control over food supplies. To achieve this objective of this "market-oriented" policy, the cartel companies must bankrupt major sections of advanced industrial nation's farm ownership, and force the remaining farmers to sell out to the multinationals under some form of neo-feudal absentee ownership of the farm.

Removing national protective tariffs and price supports, the Andriessen/Stoltenberg formula at the EC, is merely "the first step," as one leading French farm veteran expressed it in a recent discussion. The trade war now being unleashed *between* European and American farmers is being carefully orchestrated to feed the cartelization process.

Flexing the 'BICEP'

The 1985 Farm Bill of the U.S. Department of Agriculture aims to provoke the Trilateral Commission's trade war, and is otherwise wholly a part of the Trilateral Commission strategy of "market-oriented international commpetition." Included in the bill is a so-called Bonus Incentive Commodity Export Program, appropriately: BICEP. Under BICEP, the USDA is subsidizing the grain multinationals such as Cargill with *free government grain,* allowing them to selectively attack traditional EC export markets such as Egypt and North Africa. Already in 1985, BICEP export subsidies hit EEC export markets sharply, especially French, according to Western European trading sources.

BICEP is one of a package of export subsidies to the cartel multinationals. Under the same bill, U.S. farmers will be forced to take 30% of wheat and some 10% of corn acreage out of production, a move which helps the "supply management" cartel trading houses and financial institutions to boost profits at farmers' expense. The entire 1985 U.S. Farm Bill was promoted as a "turn to the free market" by Block and former Cargill executive Daniel Amstutz, who as deputy secretary under Block is widely credited with being the policy architect of the bill.

The same Trilateral Commission policy shaped EC Agriculture Commissioner Andriessen's controversial "Green Paper," a policy document advocating severe farm price reduction which, as the COPA farmers' organization emphasized, "would result in a dramatic fall" in the already low level of farm incomes, forcing Europe's farmers to "leave agriculture or to intensify [production] more and more."

The fact that both the U.S. and EC policies are echoing the Lardinois Trilateral Commission "free market" strategy of cartelization is not surprising. Look at who made up the Lardinois task force which drafted the Trilateral strategy. According to official documents obtained from the commission, Lardinois drew in the collaboration of such people as Gilbert Salomon, chairman of Doumeng's SOCOPA; Albert Simantov, OECD director for agriculture in Paris; Robert Thompson of the White House Council of Economic Advisers; Helmut von Verschuer, EC deputy director general for agriculture in Brussels, working directly under Andriessen; Dale Hathaway, former U.S. undersecretary of agriculture; Clayton Yeutter, U.S. special trade representative and a former U.S. secretary of agriculture; and A. de Zeeuw, chairman of the committee on trade in agriculture for the General Agreement on Trade and Tariffs (GATT).

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Lardinois himself has intimate ties in the Brussels bureaucracy. He was EC commissioner for agriculture until 1977, when he joined Rabobank. Rabobank is known to be involved in large U.S. farm investments, taking full advantage of depression farm prices which his Trilateral Commission "free market" strategy is designed to guarantee.

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The next phase in this Trilateral strategy will is already underway, the current, orchestrated dispute between United States and the EC over export of U.S. corn and soy beans to Spain and Portugal. Willy de Clerq, EC commissioner for external affairs, "attacked" Clayton Yeutter for launching a "flagrant violation of its GATT rights." De Clerq is a member of the Trilateral Commission. Yeutter is a close collaborator of the Trilateral Commission. It's a small world.