

EUROPEAN AGRICULTURAL POLICIES AND INTERNATIONAL TRADE NEGOTIATIONS

Michel PETIT
<petit@iamm.fr>

INTRODUCTION

■ CONTEXT:

- DOHA ROUND PARALYSIS
- PREPARATION OF NEW CAP FOR 2013
- INTERNATIONAL PRICE VOLATILITY

■ MY PURPOSE:

- DISCUSS AND INTERPRET EUROPEAN DEBATES
- DRAW SOME IMPLICATIONS FOR OTHER COUNTRIES? NOTABLY INDIA
- SEEK YOUR REACTIONS

EUROPEAN ATTITUDES AND POSITIONS ON AGRICULTURE IN DDR

- FROM MARRAKECH (1994) TO CANCUN (2003): HOW TO RESIST US AND CAIRN GROUP PRESSURES
- CANCUN MINISTERIAL AS A TURNING POINT
- HONG KONG (2005): A MAJOR CONCESSION ON EXPORT SUBSIDIES
- RESISTANCE ON FURTHER MARKET ACCESS AND DOMESTIC CONCESSIONS BEYOND 'FOUR BANDS'
- ADDITIONNAL ISSUES: IG, NAMA, SINGAPOUR ISSUES

THE POLITICAL ECONOMY OF 'DOMESTIC' AGRICULTURAL POLICIES IN EUROPE

■ FIVE MAIN DRIVERS:

- AGRICULTURAL PRICES/INCOMES
- PUBLIC EXPENDITURES
- EXTERNAL PRESSURES
- NEED FOR CLOSURE
- NEW SOCIETAL CONCERNS

■ EXAMPLES OF IMPACT ON RECENT EVOLUTION OF THE CAP:

- DAIRY QUOTAS IN 1984
- MAC SHARRY REFORM IN 1992
- SINGLE FARM PAYMENTS IN 2003/2005

FORCES AT PLAY TODAY:

- PRICE VOLATILITY
- BUDGET: A MEGA GAME AMONG 27 GOVERNMENTS + E. COMMISSION + E. PARLIAMENT
- EXTERNAL PRESSURES: PARALYSIS IN WTO BUT SEVERAL BILATERALS (?)
- NEED FOR CLOSURE....I AM OPTIMISTIC
- NEW SOCIETAL CONCERNS + RURAL POVERTY IN SOME MEMBER STATES AND LEGITIMACY OF PAYMENTS

IMPLICATIONS FOR THE FUTURE CAP AND FOR EU POSTURE IN INTERNATIONAL NEGOTIATIONS

- FOR THE CAP: MAINLY MORE OF THE SAME
- IN WTO: LITTLE MOTION
- IN BILATERALS: PUT AGRICULTURE « OFF THE TABLE »
- IN G 20: FIND WAYS TO REDUCE FINANCIAL SPECULATION ON COMMODITY MARKETS, IMPROVE INFORMATION ON PHYSICAL STOCKS

IMPLICATIONS FOR OTHER COUNTRIES

- GENERAL IMPATIENCE WITH
« WESTERN COUNTRIES »
UNDERSTANDLE BUT PERHAPS
DANGEROUS
- INDIAN CONCESSIONS IN INDIA/EU
BILATERAL TRADE AGREEMENT?
- WHAT ABOUT FINANCIAL MARKET
REGULATIONS?