

‘We provide the facts; it’s the politicians who draw the conclusions’

Tia Hermans, agriculture expert

21.09.

05 On 21 September 2006, the EU farm subsidies received by Dutch farmers were made public for the first time.



Made by Alterra, 2000-2010

Wageningen,
Droevendaal organic
experimental and
training farm,
20.10.2009
11:44:00 h

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A study by Tia Hermans into European agricultural support payments led to lively debates in meetings at the Dutch Ministry of Agriculture, Nature and Food Quality, giving her some new insights into negotiations in Brussels. But her report led to angry reactions from representatives of the farming community, who felt that Alterra’s colourful maps were threatening their livelihood.

by Korné Versluis

On 21 September 2005, the Ministry published a list of all support payments from Brussels to Dutch farms, having been forced to do so after an appeal to the Dutch Public Information Act by the Evert Vermeer Association, the think tank of the Dutch Labour Party (PvdA). The association wanted information about these subsidies, as it felt they were giving European farmers unfair advantages over poor farmers in developing countries. The publication of these figures received a lot of attention in the media, which concluded that the payments mostly went to large firms, like the Campina dairy company and giant food producer Nestlé, and that – unsurprisingly – it was the larger farms that received the largest sums.

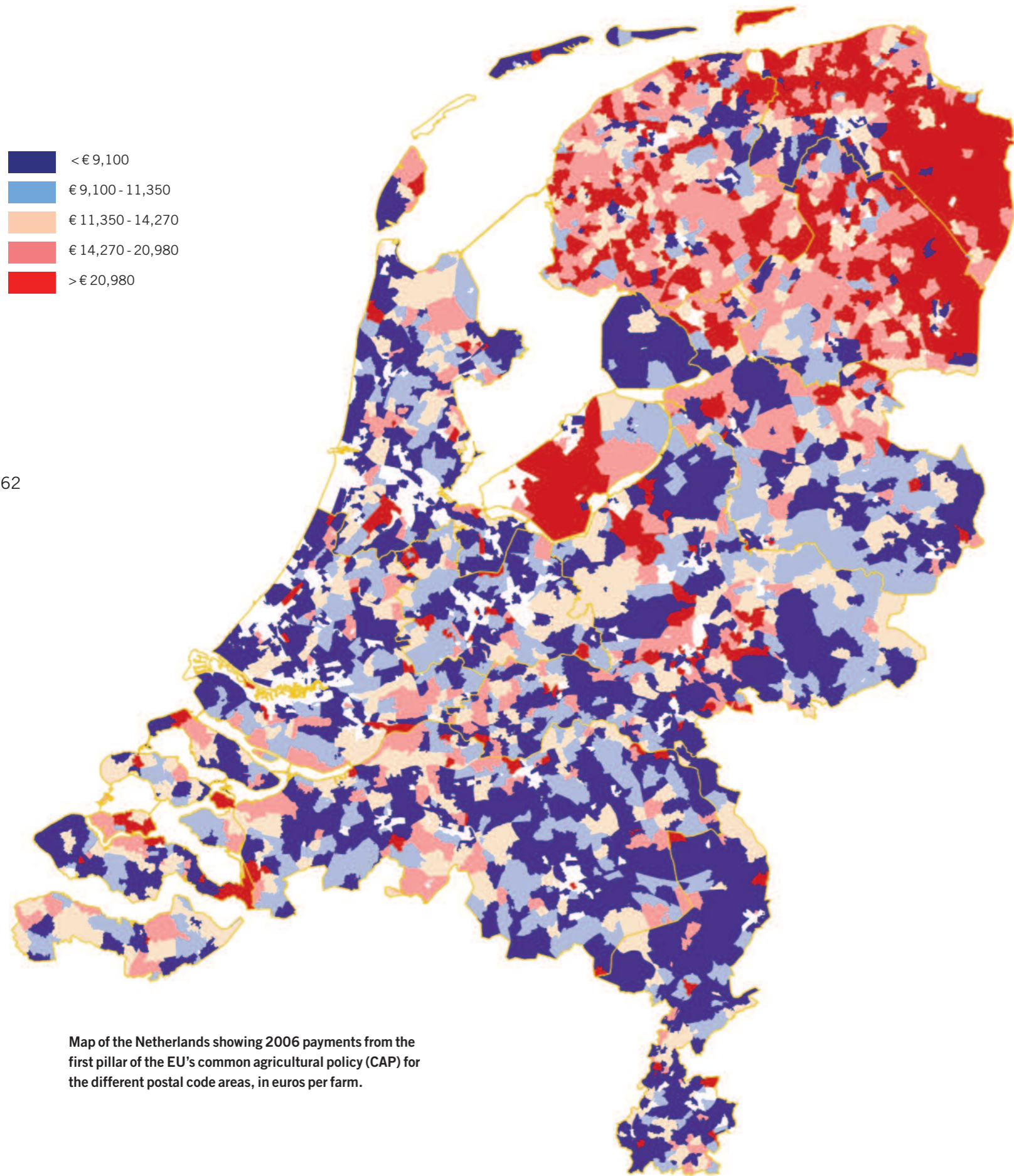
When she read about this in the newspaper, Tia Hermans had an idea. ‘I suddenly thought: this is a great opportunity for us. We can link these data to our geographic farm information system GIAB.’ The system contains data

on all Dutch farms, including their location and size. ‘So I mailed André van der Zande, Director-General at the Ministry, asking: would you like to know where, in what Dutch regions, the EU payments end up? I could prepare you maps of that. And the Ministry was indeed interested.’ At the same time, however, they realised that this statistical exercise might yield very controversial information. ‘Van der Zande then asked Gerrit Meester to supervise the study on behalf of the Ministry.’

Meester was the Ministry’s ‘grand old man’, who had been closely involved in European negotiations on farm subsidies during his long career. In 2005, he represented the Ministry in various international bodies, while serving as a theoretician and strategist at the ministry itself. He was at least as excited about the proposed study as Hermans herself; the maps she showed him reflected the results of his long career of EU negotiations.

Hermans recalls: ‘This was my most enjoyable project, especially because of the monthly meetings with Gerrit Meester and his staff. When we arrived, we would spread out our laptops and maps on the big round table in Gerrit’s room. He would study them for a while, sometimes looking surprised, sometimes not. And then he’d say something like ‘Ah, is that how it works? Interesting. Wait, let me get so-and-so to have a look at it.’ And he’d search the corridors of the Ministry to find an expert. That then usually

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Map of the Netherlands showing 2006 payments from the first pillar of the EU's common agricultural policy (CAP) for the different postal code areas, in euros per farm.



Broek in Waterland,
Netherlands
23.09.2008
11:30 h



Tia Hermans and her team on a field trip at Nils Spaans' organic farm in Broek in Waterland. Left to right: Leonne Jeurissen, Jaap van Os, Berien Elbersen, Tia Hermans, Willem Rienks, Wim Meulenkamp and Anne van Doorn.

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resulted in a lively discussion and a lot of anecdotes from Meester. It gave us great new insights into international agricultural politics.

'Meester had wonderful stories to tell about nocturnal negotiation rounds and the clever tricks they'd played. For instance about milk. He told us that he and his delegation had managed to get a proposal for payments per cow rejected and replaced by a different plan that involved payments per litre of milk. That was a lot more profitable for the Dutch farmers, as their cows produced record amounts of milk each.'

The EU has a whole range of subsidy schemes for farmers, not only for milk, but also for maize, cereals, calves, suckling cows, ewes and so on. Hermans and her colleagues linked all payments to postal codes and farms, and were thus able to produce maps showing how much was

paid per hectare in the various regions. These maps showed that, on the whole, regions dominated by specialised dairy, veal or starch potato farming were benefiting most from the schemes, whereas regions dominated by smaller farms, which often also included more valuable landscapes, got considerably less.

After six months of drawing maps, the study was concluded and Hermans officially presented her report in a stylish theatre in The Hague. One of those invited was Herman Versteijlen, Director of the Directorate of Direct Support, Market Measures and Promotion at the European Commission. In Versteijlen's view, the maps would only stir up unnecessary debate about farm subsidies, which he thought were perfectly justified. He later wrote a long letter to a national newspaper, entitled 'Long live the farm subsidies.' According to this high-ranking EU official, farmers

were working hard for a meagre income and providing the public with attractive green landscapes and healthy food, so they deserved some support. In his letter, Versteijlen called the Alterra report 'frightening', referring for instance to the map showing the effects of redirecting payments to farms situated in national landscapes and organic farms. This would force farmers in the other areas to increase their farm size even further, making the landscape in Netherlands as a whole less attractive. He predicted 'concrete barns housing five hundred cows.'

A farmers' magazine published an interview with Versteijlen, under the headline 'It's the farmers' money; be careful about redistribution.' Versteijlen told the interviewer: 'They're trying to siphon off subsidies, transfer them, stimulate organic farming, give preference to valuable areas. I'm surprised at the ease with which they're talking about redistributing what I consider to be money that belongs to the farmers.'

Versteijlen was not the only one to criticise the report. In another farmers' magazine, Klaas Jan Osinga of the farmers' organisation LTO Nederland was scornful: 'Alterra, which is always good at drawing colourful maps, has now concluded that the areas where most of the farm subsidies end up are 'hot spots'. The underlying idea is that it would be OK to take away some of that money. Just throw everything on to a big pile and let's start to redistribute. We'll draw the maps.'

The then minister of agriculture, Cees Veerman, was not displeased. He had a problem. The World Trade Organisation was putting pressure on Europe to reduce production subsidies, as they led to unfair competition. The EU needed new arguments to justify support for farmers, and so it wanted to grant subsidies for maintaining the quality of the landscape, and other public tasks performed by farmers. In any case, subsidising production was out of the question.

But there was as yet no new distribution system. The temporary solution adopted by the Dutch government was to allocate payments on the basis of historical rights. A strange decision, according to Tia Hermans. 'Why would a farm be subsidised, just because it had received a subsidy ten years ago? As if the world never changes.'

Agricultural organisations were not yet ready to support reform. 'Each sector wants to hold on to its money, which is not surprising. Family incomes in veal farming, for instance, depend entirely on subsidies, and dairy farmers get half of their income from subsidies.' In addition, changes in the distribution system would also have consequen-

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ces for the distribution of payments over the Netherlands. The northern provinces, for instance, had just been told that the government was not going to invest in a high-speed rail link to Groningen. So a plan to redirect subsidies from the large dairy farms in Friesland or the large arable farms in Groningen to farmers in the west of the country might be regarded by northerners as further proof that the government in The Hague was not interested in the northern provinces.

Hermans' final report made no recommendations. 'We could have suggested supporting organic farmers or using the EU payments to invest in the landscape. But that's not our task. We provide the facts; it's the politicians who draw the conclusions.' And that is precisely what the Minister did, says Hermans. 'Veerman used our study to start up the debate. Our findings led him to conclude privately that we couldn't go on like this, and that new solutions were required. The Ministry has started follow-up studies to decide what public goals should be stimulated by the subsidies.'

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