



## Transatlantic Agricultural Policies Examined

October 29, 2009

AFTC participated in a conference on the future of transatlantic agricultural policy held October 28, 2009 at the National Press Club in Washington, D.C.

The conference titled “Agricultural Policy in Transition: What Next?” featured U.S. and European officials discussing agricultural policy’s affect on global economic relations, top priorities in this sector and how transatlantic dialogue can better inform world agricultural policies.

This dialogue occurs at a time of extreme volatility and complexity as 2009 has witnessed a change of administration in Washington, D.C., and a new European Parliament. Speakers discussed significant events over the past year including roller coaster food and oil prices, a heated debate about biofuels, the global economic crisis and climate change mitigation policies. All will have a direct impact on agricultural policy and markets on both sides of the Atlantic.

The consensus that emerged from the panelists is that the budget situation in both the U.S. and the Europe is unsustainable, and difficult decisions need to be made to prevent extremely unbalanced debt to GDP ratios. These budget pressures are the forces most likely to bring about change in farm policies. Other than that no real consensus seems likely for substantial change in basic farm support policies in either the U.S. or the EU. While some in the EU favor reform, others support the status quo and even others would like to see increased farm support levels. Most farmers seem relatively pleased with current farm policies on both sides of the Atlantic and the recent high levels of food prices in 2007/2008 remind policymakers of the importance of ensuring basic food security.

Speakers also seemed to agree that several issues outside of direct farm support policies as well as the policies of other government agencies beyond USDA (the EPA, Department of Energy and others) could have a significant affect on agricultural production. These include energy policies, food safety and obesity concerns as well as concerns of activist groups regarding climate change, other environmental issues, animal welfare and other topics. Some of these issues may receive substantial push on the state and regional levels. Panelists also discussed the effect of the Obama Administration’s greater focus on food consumption and lesser focus on food production.

One speaker described the ongoing conflict between the public’s two opposing visions of the food production system: one is of large commercial farms connected to consumers through global supply chains, and the other is of small, sustainable and organic farms

connected to consumers through local food networks. He attributed this to the phenomenal advances in the science of agricultural production over the last two decades. The nation's population, meanwhile, has become increasingly removed from their agrarian roots and basic understanding of agriculture and science.