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EEC Price-income Policies and their Effects on North South Relations in European Agriculture

NORTH VERSUS SOUTH IN AN ENLARGED EUROPEAN ECONOMIC COMMUNITY (EEC)

The recent integration of Greece and the near future membership of Portugal and Spain in the EEC will profoundly change the present relative economic weight of Northern and Southern regions within the Community. In fact, and even considering that the establishment of a well defined North-South boundary is not an easy task, neither from a theoretical nor a practical viewpoint, it seems unquestionable that the prevailing characteristics of the agricultural sectors of the three new members point towards the reinforcement of the Southern component. While in a nine-member community the South was represented only by Italy (except for its most Northern regions), some regions of Southern France and Corsica, in a twelve-member community the almost entire North-Mediterranean basin and the Iberian peninsula will represent the Southern regions of the Community[1].

Given the difficulty in establishing a well defined North-South boundary within the enlarged EEC we decided to make it in terms of Northern countries and Southern countries, which does not mean that we are not aware of the simplifications involved in not considering North-South dichotomies in some countries. Thus, and in order to pinpoint some of the more important socio-economic differences we consider as Northern countries the Federal Republic of Germany, France, United Kingdom, Netherlands, Belgium, Luxemburg, Denmark and Ireland while Southern countries include Italy, Greece, Portugal and Spain. Based upon this division it is possible to identify a few significant differences between North and South not only regarding the structure of the whole economy but also concerning the agricultural sector.

The analysis of Table 1 reveals that the rate of economic activity, measured by the employment/total population ratio, is higher in the North. In addition the sectoral composition of employment shows a higher percentage of agricultural employment in Southern countries. Moreover, in these countries the contribution of GAP for GDP is relatively higher.

However, and because the aim of this paper is the analysis of the effects

TABLE 1 *Some economic indicators of the enlarged EEC (1977)*

	EUR 12	NORTH	SOUTH				
			Italy	Greece	Portugal	Spain	Total
Total population (10^6)	314.3	202.6	56.6	9.3	9.2	36.6	111.7
Employment (10^6)	121.1	81.9	19.8	3.2	3.8	12.4	39.2
Employment/ Total population %	39	40	35	34	41	34	35
Population in agric. and fisheries (10^6)	13.0	5.2	3.1	0.9	1.2	2.6	7.8
Pop. in agric. and fish. /Employment %	11	6	16	28	32	21	20
Total area (10^6 ha)	225.4	122.5	30.1	13.2	9.2	50.5	103.0
Agric. area (10^6 ha)	134.5	76.1	17.5	9.2	4.1	27.6	58.4
Agric area/total area %	60	69	58	69	45	55	57
GDP (10^6 EUA - 1975)	1,219,802.8	952,788.5	155,382.8	16,865.0	11,891.5	82,875.0	267,014.3
GAP (10^6 EUA - 1975)	59,081.4	34,112.6	12,430.6	3,153.8	1,759.9	7,624.5	24,968.8
GAP/GDP %	4.8	3.6	8.0	18.7	14.8	9.2	9.4

Sources: The Situation of Agriculture in the Community, Report 1980; Eurostats; UNO Statistical Yearbook.

of price-income policies on North-South relations, one must observe more carefully the structure of agricultural production in the two regions, not only regarding the production volume of different products but also its participation in GAP. From this analysis conclusions can be drawn towards the identification of 'Northern' and 'Southern' products. Thus, the observation of the different product price-policies will allow an evaluation of its effects in both regions.

For that matter, the joint observation of Tables 2 and 3 seems to suggest clearly that cereals, sugar, dairy products, beef, pork, poultry and eggs are 'Northern' products, while wine, olive oil, fruits and vegetables (except for potatoes) can be considered as 'Southern' products.

In the following section the analysis will be restricted to the nine EEC members, before the integration of Greece. This is because of the obvious lack of available compatible data for the three new members of the Community. Thus, Italy is, in our analysis framework, the representative of the Southern component, but the similarities between Italy and the three new members allow for an extension of the conclusions regarding price-income policy effects to the entire South of the enlarged Community.

TABLE 2 *Production of some agricultural products 1976–78 (averages, 1000 metric tons)*

	EUR 12	NORTH		SOUTH	
		volume	%	volume	%
Cereals (total)	122,093	86,521	71	35,572	29
Sugar	13,028	9,948	76	3,080	24
Olive oil	1,261	1	0	1,260	100
Wine	17,252	7,039	41	10,213	59
Citrus	6,492	28	1	6,464	99
Grapes	27,650	10,570	38	17,080	62
Apples	7,807	4,656	60	3,151	40
Peaches	2,529	489	19	2,040	81
Tomatoes	10,128	1,310	13	8,818	87
Potatoes	43,082	32,331	75	10,751	25
Pork	9,372	7,497	80	1,875	20
Beef	7,041	5,400	77	1,641	23
Poultry	4,409	2,512	57	1,897	43
Eggs	4,525	3,110	69	1,415	31
Cow milk	108,701	91,912	85	16,789	15

Source: FAO Production Yearbook.

TABLE 3 *Composition of agricultural final production, 1977 (%)*

	NORTH	Italy	Greece[a)]	Portugal[a)]	Spain
Meat	38.0	25.9	18.0	26.0	24.6
Vegetables (incl. potatoes)	8.7	15.9	12.3	11.5	18.0
Fruits (incl. citrus)	3.2	9.8	4.4	10.3	9.9
Cereals (incl. rice)	11.7	9.6	13.5	10.4	9.6
Cow milk	21.2	12.5	8.2	8.9	8.6
Eggs	4.0	3.3	2.7	2.7	4.0
Wine	3.9	7.6	2.3	10.1	4.0
Olive oil	0.0	6.5	7.6	3.6	3.2
Other products	9.3	8.9	31.0	16.6	18.1
TOTAL	100	100	100	100	100

[a)] 1976
Source: Eurostat; The Situation of Agriculture in the Community, Report 1980.

PRICE-INCOME POLICIES AND THEIR EFFECTS

General evaluation of EEC price-income policies

The Common Agricultural Policy (CAP) of the EEC has been, up to now, almost entirely based upon a set of price-income policies. Nevertheless, it can be said that it represented a major contribution to the building of the Community insofar as it was able to achieve the development of a free-trade system and an effective customs union. In addition, these price-income policies created the mechanisms that ensured, for main agricultural products, a sizable degree of price stability coupled with a high average price-level in comparison with world price-levels. As a consequence, many farmers were able to benefit from these policies with the end result of rapid economic growth of the agricultural sectors, specially until the slow-down of the world economic expansion of the late 1960s.

The inflow of new capital and the introduction of new ideas and technologies allowed for sound productivity gains in EEC agriculture. For the entire Community the average yield of wheat grew from little more than 2,000 kg/ha in 1952 to about 4,500 kg/ha in 1979 and milk production increased from about 3,000 kg/cow/year in 1962 to more than 4,000 kg/cow/year in 1979. Moreover, the improved technologies made possible a rapid output growth resulting in higher levels of Community self-sufficiency. Cereals production reached 116 million tonnes in 1978 (around 77 million in 61/65) and milk production reached 102 million tonnes in 1979 (60 million in 61/65). As to self-sufficiency levels it is nowadays around 100 per cent for cereals (except for corn), potatoes, eggs, meat (except for ovine), wine, etc.; largely exceeds 100 per cent for sugar and dairy products (generating large stocks that are not easy to market); and only for rice, fresh fruits, citrus fruits and fats is the self-sufficiency level below 100 per cent.

On the other hand the creation of employment outside the sector, made possible by the general economic growth, drastically reduced the agricultural population, which in 1970 was only about half of that in 1950. This fact in conjunction with the productivity growth lead to a considerable increase in the farmer's income.

Thus it appears that EEC agricultural price-income policies have contributed positively to achieving the main objectives of the Treaty of Rome, at least on an overall Community level. However if one looks more carefully at regional effects, the picture is not so optimistic.

Regional effects

(a) *The increasing gap between developed and less developed regions*

The analysis of the CAP easily shows that its income policy component is almost entirely limited to the results of the price-policy component. This approach shows some important drawbacks. In the first place, the price policy is more beneficial to large producers, thus representing a relative penalty to those whose incomes are in more need for support – the small and very small producers. In the second place, part of the high product prices are transferred into costs, via the utilization of more expensive inputs, instead of incrementing the farmer's income. But the main cause for regional bias in the application of the CAP is perhaps the different degree of guarantee it

TABLE 4 *Percentage of FEOGA guarantee expenditure 1978/80, by products*

(per cent)

	1978	1979	1980
Northern products	76	76	75
Cereals	13	15	14
Dairy products	46	43	43
Sugar	10	10	6
Beef and veal	7	7	10
Pork	-	1	1
Eggs and poultry	-	-	1
Southern products	7	13	19
Oils and fats	4	6	7
Fruit and vegetable	1	4	6
Wine	-	1	3
Tobacco	2	2	3
MCA	10	7	2
Others	7	4	4

Source: The Situation of Agriculture in the Community, Report 1980 shows for different agricultural products. In this matter the truth is that the products that receive a higher degree of guarantee are cereals, milk and sugar, which account for the bulk of agricultural production in the Northern regions of the EEC. In contrast, typical Mediterranean products, like fruits and vegetables, wine and oils, have a low level of guarantee. This emerges clearly from Table 4. Northern products received around 75 – 77 per cent of FEOGA guarantee expenditures during the 1977, 1979 and 1980 years, while in the same period Southern products only received, respectively, 7, 13 and 19 per cent of those expenditures.

Table 4 deserves an additional observation. In fact, Northern products like pork, eggs and poultry, are assigned low degrees of guarantee. The reason for its Northern location is two-fold. On the one hand, production structures in these regions are better; on the other hand, producers can take advantage of location rents due to the vicinity of main consumption centres.

The regionally biased effects of the CAP were analysed in some recent research ('Les Regions d'Europe', 1981) in which the evolution of farm income was measured by the pattern of Gross Value Added (GVA)/Annual Work Unit (AWU) ratios during the 1968/69 – 1976/77 period.

At the beginning of the period the highest incomes (more than 125 per cent of the GVA/AWU average ratio for the Community as a whole) could be found in the Northern and central regions of the EEC. In contrast, the lowest incomes (less than 75 per cent of the GVA/AWU average ratios, for the entire Community) were found in the Southern and Western regions of the EEC, namely in South-west France and Italy. The growth rate of GVA/AWU during the period under analysis was higher than the average growth rate for the Community in the Northern and Central regions, while for Southern regions it was below the Community average. Summing up the analysis results, it was stated that during the 8 years period 'the ratio between the GVA/AWU average value for the 5 most developed regions and the corresponding value for the 5 less developed regions grew from 6.0 to 6.7' ('Les Regions d'Europe', 1981).

(b) *Allocation of resources and resource flows*

A system of administered prices, like the CAP establishes for some important products, can lead to non-negligible misallocation of resources within the EEC. If prices do not reflect market pressures, resources are channelled to production of goods that have more advantageous prices, easily leading to stock-piling (as happens with some Northern products). But if, in addition, administered prices are set higher than world prices the Community does not allocate resources according to world opportunities, which, given the Community preference principle, ends up by penalizing importing countries (among which are Mediterranean countries).

The most notorious cases of misallocation of resources as a consequence of rigidity in the CAP price policy are dairy products and sugar. Whole milk powder, butter and sugar have guaranteed prices and, as Table 5 shows, Community stocks did not cease to increase during the 1970s. Moreover, the level of guarantee for dairy products and sugar is so high that the areas dedicated to livestock and sugar production range second and third in the

TABLE 5 *Self-sufficiency in dairy products and sugar*

(per cent)

		EUR-9	B–L	Denmark	FRG	France	Ireland	Italy	Neth.	UK
Whole milk powder	1968	169	219	386	84	169	543	0	347	66
	1977	310	423	x	111	409	x	0	506	290
Condensed milk	1968	142	115	1243	93	186	0	93	345	108
	1977	155	25	575	118	165	0	62	310	119
Butter	1968	91	110	332	104	119	198	67	298	10
	1977	111	105	308	135	110	320	61	493	30
Sugar	1968	82	148	124	89	120	94	94	101	34
	1977	111	190	184	118	171	121	90	146	32

Source: The Situation of Agriculture in the Community, Report 1979

TABLE 6 *Financial relationship with FEOGA (Million £)*

		B–L	Denmark	FRG	France	Ireland	Italy	Neth.	UK
Receipts from FEOGA	1977	356	454	1188	1057	252	406	767	598
	1978	427	545	1736	1194	378	516	856	247
Contributions to FEOGA	1977	368	120	1657	931	18	480	512	568
	1978	394	137	1858	1153	35	860	615	920
Net position	1977	−12	+334	−469	+126	+234	−74	+255	−470
	1978	+33	+408	−122	+41	+343	−344	+241	−673

Source: Rollo, J.M.C., and Warwick, K.S., *The CAP and Resource Flows among EEC Member States,* 1978

TABLE 7 *Net effects on trade account (million £)*

	B–L	Denmark	FRG	France	Ireland	Italy	Neth.	UK
1977								
a) Imp. levies	−12	+209	−355	+463	+168	−488	+545	−167
b) Export restit.	−41	+144	−247	+318	+126	−318	+361	−142
1978								
a) Imp. levies	−54	+275	−434	+575	+184	−588	+605	−110
b) Export restit.	−95	+213	−282	+480	+163	−442	+387	−145

Source: Rollo and Warwick, *The CAP and Resource Flows.*

TABLE 8 *Effects on balance of payments (£) and agricultural self-sufficiency (%)*

	Net effect on Balance of Payments per head (central estimate)		Agricultural self-sufficiency
	1977	1978	1976
	£	£	%
Ireland	+120	+162	210
Denmark	+100	+128	226
Neth.	+ 50	+ 54	143
France	+ 10	+ 11	101
B–L	− 4	− 4	96
Italy	− 9	− 15	89
UK	− 11	− 15	62
FRG	− 13	− 8	81

Source: Rolo and Warwick, *The CAP and Resource Flows.*

Community (cereals area is the largest) and about half of the dairy products producers in the North and Centre regions deliver their production to intervention agencies.

This misallocation of resources has also its reflections in terms of financial relationships between the European Guidance and Guarantee Fund (FEOGA) and each member state as well as in terms of intra-community trade transfers. Regarding the first point Rollo and Warwick

(1978) estimated for 1977 and 1978 the net position of each member state *vis à vis* the FEOGA. The results are presented in Table 6 and they show that Italy (the typically Southern country) is clearly a net loser. The disadvantageous position of the United Kingdom is a direct consequence of it being a net importer of agricultural products, against which, as was said above, the CAP is biased. But the main explanation for the figures in Table 6 is that FEOGA financial resources have been more than 90 per cent allocated to its guarantee section and thus channelled, *via* the guaranteed prices, to the regions where the products that receive a higher degree of support are produced (Northern and Central regions of EEC).

Rollo and Warwick also estimated costs and benefits, measured in terms of import levies and export restitutions and from there the net effects on trade account (see Table 7). Despite some discrepancies in the effects when measured by import levies or by export restitutions, the picture emerging from the Table illustrates the fact that the CAP generates a resource transfer from two periphery countries (Italy and United Kingdom) to Centre countries. Moreover Italy is the main payer.

The same authors went further, computing the net effects on the balance of payments and comparing them with the degree of self-sufficiency of each member state, as shown in Table 8. Here again, it can be concluded that the present price-income policies of the CAP benefits mainly countries of agricultural self-sufficiency, the big losers being periphery countries, specially Italy which can be taken as a proxy for what will eventually happen to new Southern members if the CAP is not reformulated.

INADEQUACIES OF THE CAP REGARDING SOUTHERN PROBLEMS

Experience has shown that the price-income policies of the CAP have contributed heavily to exhausting the Community budget with actions that have not been able to tackle the problems of Southern regions. In a restricted sense, typical Mediterranean products like olives and olive oil, fruits and vegetables, tomatoes and wine have received a much lesser degree of support, and, in a more general sense, structural and marketing problems have not yet found adequate solutions. As a result the less developed Southern regions have not been able to profit from present price-income policies. In addition, the few incentives awarded to structural change, investment, production reorganization, and so on (as in the case of Directives 159/72, 160/72 and 268/75) are not best suited to the socio-economic conditions of Southern agriculture, and even then have received a very small share of FEOGA expenditures.

Southern regions have thus suffered from a negative attitude of the Community instead of a positive one aiming at the formulation and implementation of integrated regional policies. On the other hand, the policy of high producer prices is passed on to consumers who then are double squeezed as tax payers and as high food price payers. If this situation is less important in growing and affluent economies it is not easily compatible with Southern economies with low income per caput and particularly during periods of economic stagnation. Moreover, and awkward as it may seem, the South (represented by the Italian case) which has the highest percentage of agricultural population and the lowest income per caput within the EEC has been a net contributor to the financing of the CAP.

NOTE

[1] It should be emphasized that the North-South dichotomy is not the only one possible within the EEC. In a centre-periphery framework the periphery would be represented not only by the regions labelled as South, but also by Ireland and Scotland.

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DISCUSSION OPENING – WERNER ZOHINHOEFER

The authors deal with a very interesting problem of high practical importance and actuality: what will be the effects of the EEC's price-income policies with respect to agricultural products for the new member-states, Greece, Portugal and Spain? Their answer to this question is quite pessimistic: 'It can be concluded that the present price-income policies of the CAP benefit mainly countries of agricultural self-sufficiency, the big losers being peripheral countries, especially Italy which can be taken as a proxy for what will eventually happen to the new southern members if the CAP is not reformulated.'

This conclusion, I think, is quite typical of the way the authors argue. Some elements of the statement are to me plausible and convincing. Others are not at all. Having only ten minutes to open the discussion it is quite difficult to do full justice to the paper. I try to do this by concentrating on those major steps in the authors' argument that, in my view, are not really convincing and therefore especially worthy of criticism. The authors' analysis basically rests on three proprositions:

1 Italy is comparable to Spain, Greece and Portugal with respect to the relevant structure of agricultural production.
2 Southern products have been receiving 'a much lesser degree of support' than the so-called Northern products.
3 This divergency in degree of price support 'generates a resource transfer' to the disadvantage of Italy – and the other southern member states in the future.

Let me shortly review these propositions. First, I seriously doubt that Italy is comparable to the new member states for the purpose of this study. On the one hand, with respect to the structure of agricultural production which the authors stress, Italy is also quite similar to France, so that France could also serve as a country of reference. On the other hand, Italy's rate of self-sufficiency in agricultural products is relatively low. This holds true for Northern as well as for Southern products. So even for olive oil Italy is a net importer. In contrast, the new South-European member states have a much higher degree of self-sufficiency in agricultural products in general. At the same time they are not exporters of typical southern products and will increasingly enlarge their exports into other Common Market countries in the future.

All this, I think, makes clear that the similarities between Italy and the three new member states do not allow for an extension of the conclusions regarding price-income policy effects to the entire south of the larger Community. On the contrary, the differences will, in my opinion, be much more significant for the future role the new member states will play in the agricultural sector of the Community.

Let me then turn to the second proposition: Is the degree of support for the Southern products really much lower? The authors back up their contention with the fact that the share of the expenditure of the European Guidance and Guarantee Fund (FEOGA) for price-support is much higher for northern products than it is for southern products. In 1980 the relation was 75:19! Interesting as this empirical fact is, it may be that the result of very different causes. After all, the expenditures behind these figures are a product of two factors: the amount of subsidized production and the subsidy payment per unit of quite a wide range of agricultural products. And what is even more important, to evaluate degrees of guarantee for different products as too low or too high one needs an operational standard to measure what could be considered as comparable degrees of price support for different products. Considerations of this sort, however, are completely neglected by the authors. Therefore the statistical data in question cannot empirically confirm the authors' argument that the degree of guarantee is low for southern as compared to that of northern products.

This result, in turn, has immediate implications for the authors' third proposition. If there is no general divergency in the degree of price guarantee for northern as compared to southern products it cannot generate a resource transfer to the disadvantage of Italy or other countries of Southern Europe. But to be more precise, I should say, only to the extent to which such divergency exists, may we expect a resource transfer to be generated.

Since the paper does not convincingly show this divergency to exist, we should look for different or at least additional reasons to explain the fact that Italy in the agricultural sector of the EEC is no doubt 'clearly a net loser'. In my opinion this fact is clearly related to Italy's relative low degree of self-sufficiency with regard to agricultural products. Being a major net-importer of agricultural goods in the EEC, Italy's net-position *vis à vis* the European

Guidance and Guarantee Fund is bound to be negative – even if there were no divergencies in the levels of price guarantee for different products (however that may be defined). In this respect Italy sits – but for different reasons – in the same boat as the United Kingdom and West Germany (as Table 8 clearly indicates). If this hold true, the economic perspective for the new Southern members of the EEC should be quite different from what the authors of the paper would expect. Since in Spain, Portugal and Greece the degree of self-sufficiency with regard to agricultural products – and particularly to Southern products – is significantly higher than it is in Italy and since at the same time additional production will be stimulated (if the CAP remains what it is), the agricultural sector of the newcomers will probably do much better than the Italians did. One needs to be no prophet to expect indeed that Italy may again – and even more than so far – be on the losers' side. Quite a few well informed observers agree in forecasting that the surplus production of primarily southern agricultural goods, which will come about within the new member states, will strongly aggravate the problem of financing the CAP if it is not modified.

This brings me to my final remarks. Let me in conclusion clarify a few points to prevent misunderstandings. My critical view of major parts of the paper should not be taken to mean that I am defending the traditional CAP. On the contrary, I share the criticisms the authors express with respect to the strong dominance of price policy and the corresponding lack of an effective policy fostering structural adjustments within the concept of a CAP. But it seems important to me to distinguish between distributional effects of the EEC agricultural price policy on the one hand and equity considerations with respect to the question of how to share the financial burden necessary to foster the necessary structural changes in European agriculture, on the other hand. So even if we acknowledge the special adjustment problems of the agricultural sector in Southern countries and the necessity for a transfer of resources in favour of Southern member states within the EEC, increasing the degree of guaranteed prices for southern products, as the authors imply, would certainly contribute more to creating new than to settling old problems. In contrast, an appropriate policy for European agriculture in general and for the Southern countries in particular should – briefly stated – advance along the following lines:

(a) it should (continue to) modify the level of prices and the relative prices for agricultural products so as to gradually approach world market conditions in the long run;
(b) in accordance with this, the expenditure of the European Guidance and Grarantee Fund should further be limited and gradually reduced in favour of a more effective policy fostering structural adjustments in European agriculture;
(c) in addition, it might be necessary that the EEC increases its financial aid for (national) measures to create employment opportunities outside of agriculture in economically weak regions, particularly in Southern member states.

To sum up, the CAP should gradually shift its emphasis from measures of price support to measures aiming at structural effects in order to make for growth by improving the allocation of resources and at the same time to bring about more equity by reducing the income differences among farmers, between farmers and non-farmers and between regions within the larger EEC.

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GENERAL DISCUSSION* – RAPPORTEUR: ROSEMARY FENNELL

Discussion on the Longworth paper was mostly concerned with conflicts between the interests of various groups – for instance the conflict between those who sought free-trade conditions for Australian agricultural products and those who demanded protection for industry at home or, on the wider front, the conflict between industralized nations which tend to have a pro-farm bias in their agricultural policies (not true of Australia) and the developing countries which have an urban policy bias. Other issues raised were the impact on Australian agriculture of policies pursued in other exporting countries, the extent of the switch in destination of Australian agricultural exports away from Europe towards the Pacific area, and the effect of the sharp fluctuations in the fortunes of the farm sector in Australia on capital – in particular on the level of land values and rents.

There was considerable disagreement among the participants over the validity of certain statements contained in the de Lobãs and Soares papers. These centred particularly on the relative degree of support for northern and southern type products (and the reasons for the difference in treatment); the suitability of using Italian experience of the CAP as a guide to the likely impact of membership of Greece, Spain and Portugal; and on the interpretation of the data quoted in the paper on the foreign exchange effects of the CAP.

Concerning the relative degree of support for northern and southern type products, the participants also disagreed among themselves as to the correct interpretation of the situation. One view put forward was that the relative

*Papers by Longworth and Labão and Soares.

support was consistent with the rate of self-sufficiency for the various products and also with the contribution of the products to final agricultural output. In contrast, it was contended that the very nature of the instruments of policy themselves (which differ from commodity to commodity) created totally different levels of support.

The authors had drawn attention in their paper to the adverse impact of the CAP in some regions but the point was made in discussion that the CAP was not the only cause of regional income disparities and that the Community had introduced some policy measures to counteract such regional inbalances. it was better to try to improve regional specialization in agriculture than to increase the levels of price support. The authors had omitted to make any references to the resource cost implications of the level of support, concentrating solely on the access-frontier transfer, nor did they take into account the possibility of a positive supply response in the new member states which could lead to a resource transfer to them from northern Europe. Finally, the point was made that it was inappropriate of the authors to single out certain groups of producers as being responsible for the production of surpluses of certain products – all producers of surplus commodities were culpable.

Participants in the discussion included R. Bohall, M. Petit, C. Haebler, B. F. Stanton, S. Tarditi, C. Capstick, D. Bergmann and D. Parlberg.