

Angry German farmers rally in Berlin

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Thousands of dairy farmers from all over Germany rallied in Berlin on Wednesday to protest the low prices they receive from major dairies and supermarket chains. Twenty tractors lined up in front of Berlin's Brandenburg Gate as the crowd, including many young farm workers, listened to speeches from dairy farm representatives.

Posters and banners at the rally testified to the militancy of farmers. They made clear that the current pricing policies of the major food retailing chains and the European Union were threatening the livelihoods of thousands of German small and middle-sized farmers.

Speakers at the rally brought solidarity greetings to the rally from farmers in France, Switzerland and Holland, making clear that the problem of increased production costs and declining returns was a pan-European problem. Prices paid to European Union farmers for milk have fallen by around 30 percent during the past six months, while the farmers' production costs have risen dramatically.

For many years the EU agricultural tariff system provided a framework for prices and subsidies that guaranteed big profit margins to major dairy cooperatives such as Friesland and Campina in the Netherlands and Arlka in Denmark, while at the same time securing the existence of tens of thousands of small and middle-sized farmers across Europe.

Current EU plans to phase out all subsidies and completely subject European farmers to the whims of the free market mean inevitable ruin for many small-scale farms. The EU recently reduced its milk quota by 2 percent and proposes a further 1 percent drop in quotas over the next five years, with the aim of abolishing dairy quotas entirely by 2014. In mid-2007 the EU also stopped paying export subsidies to European dairy farmers.

European farmers are hit on the one side by the EU policy and on the other by rising international fuel and food prices. The recent large rise in fuel and diesel prices makes running farm machinery much more expensive and also increases the prices of fertilisers and animal feed. At the same time, German farmers are confronted with the market power of German supermarket chains that use their influence to keep prices down and returns to the farmer at a minimum. This policy has paid premiums. The list of Germany's richest

employers is dominated by the owners and shareholders of such cheap food outlets as Aldi, REWE and Lidl.

This is the background to the strike by German dairy farmers begun on May 27. In an unprecedented action farmers boycotted milk supplies and in a number of regions blockaded German dairies in order to prevent supplies from other producers from reaching the plants. Following one such blockade of a Nordmilch plant in northern Germany, the company responded by threatening picketers with a €500,000 (780,000-dollar) lawsuit. Last Monday German riot police dragged away picketers at plants north of Hamburg. Leaders in the Federal Farmers' Union (DBV), which has the largest membership among German farmers, have denounced the radical actions undertaken by farmers organised in the smaller Dairy Farmers Association (BDM).

The head of the DBV, Gerd Sonnleitner, made clear from the start that he opposed a strike by dairy farmers. During the boycott the DBV declared its opposition to what it termed "illegal" actions. At the Berlin rally the speaker of the DBV was greeted with boos and catcalls from the audience.

The militancy and confidence of farmers had grown during the past ten days, and in Berlin farmers acknowledged they had been struck by the sympathy and solidarity they received from the population at large.

Alarmed that their action had unleashed a wave of militancy that threatened to escape their control, the leadership of the BDM used the rally in Berlin to call off the farmer's strike and end the blockades of German dairies and supermarkets. While acknowledging the extent of popular support for their action and the extent of European solidarity—in the past few weeks protest actions by dairy farmers have taken place in France, Austria, Switzerland and even Bulgaria—BDM president Romuald Schaber declared the farmers action had been a complete success and urged them to immediately return to work.

Already in the midst of the farmers action one leader of the BDM, Franz Grosse, had indicated that the association was keen to wind down the action. "We recommend there be no escalation outside the factories, so that we can hold sober talks," he said.

From the podium of the Berlin rally Schaber praised the deal struck during the past few days with the Lidl supermarket chain, which has agreed to increase the price of milk products in its chain of stores. Indicating that other supermarket chains would follow suit, Schaber demagogically declared that the “last bastion had fallen” and the farmers should congratulate themselves on a victory.

In fact the victory declared by Schaber is completely hollow. Other major supermarket chains have made no clear indications they are prepared to make any concessions. A commentary in the *Süddeutsche Zeitung* entitled. “Bogus success” declares that any talk of success on the part of the farmer’s representatives is utterly misplaced. None of their fundamental problems have been tackled.

There is no firm commitment from the overwhelming majority of supermarket chains, and it is by no means certain that farmers would profit from any deal made. Instead prices of milk products could rise at the expense of the consumer, with the farmers receiving nothing. As for the concession already made by the Lidl chain the *Süddeutsche Zeitung* writes:

“There are grounds for thinking that the action by Lidl was first and foremost a clever marketing move. Opinion polls indicated that a majority of consumers support the demands of the farmers for higher prices. Lidl knew this. The first one to give way is the good guy in the eyes of the public. He sets the precedent for fairer prices while the others merely follow suit. After the scandal over the spying of its workers [it was recently revealed that the Lidl chain employs video cameras and the services of security firms to spy on its own employees] such an opportunity comes just at the right time to allow Lidl to polish up its image.”

In the course of the demonstration in Berlin reporters from the WSWs spoke with a number of young framers.

Lars and Sören had travelled from Schleswig-Holstein to attend the demonstration.

Sören works on a middle sized farm cooperative with 147 cows in the state of Schleswig-Holstein. He described some of the problems confronting farmers:

“We are continually confronted with rising prices that drive up our production costs. At the same time the receipts from the big dairies that work out the price of milk in collaboration with the big supermarket chains are continually falling. Last autumn we were receiving 47 cents for a litre of milk. Now we are being offered between 25 and 33 cents a litre. At the same time our production prices have soared. In the space of a year, the prices of animal feeds have increased by 70 percent. Fertiliser prices have increased, and in the space of the past few months we have been confronted with dramatic increases in the price of diesel. It is impossible for us to continue unless the pricing

system is reformed.”

Sören noted that the Lidl supermarket chain had agreed to make some concessions, but he pointed out that other even bigger chains had made no commitment. “I am for keeping up the pressure until all the major food distributors make firm commitments. Other companies like Aldi and REWE are even bigger. We should not back down with our strike and milk boycott until all the companies have given way.”

Sören was firmly opposed to any hike in prices being passed on to the consumer: “The owners of the supermarket chains are among the richest men in Germany. The Albrecht brothers, who own the Aldi chain, top the German Rich List. They already make enough profits to be able to pay us a reasonable price for our products. I am against any price hike being passed on to the consumer.”

Moritz and Andreas travelled from Weser in North Rhine Westphalia to attend the rally.

Andreas also elaborated on the plight facing small and middle-sized farmers in his region. Andreas works on a farm with a total of 70 cows.

“We have all been struck be the amount of solidarity we have received from the public. Many people have told us they would be prepared to pay more for their milk because they realise the present pricing policy is wrong. The population at large is being hit by rising prices, and I think they know how we feel. The fact that we have received support from other countries shows that this is not just a German problem. Farmers across the continent are in the same boat.”

Both Moritz and Andreas were opposed to any premature end to the strike. “We have seen an initial reaction to our milk boycott, but it does not go far enough. We should continue out action until we have really firm results. Otherwise we will be back on the streets in the near future.”



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