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The Doha round of global trade negotiations is in trouble. It is paying the price of weak leadership from the US and Europe's failure to design a strategy in line with its own interests.

This last failure is not due to a lack of commitment from European business, which shares the strong support for the Doha round repeatedly expressed by the International Chamber of Commerce. But, meanwhile, the trade ministers of France and a few other European countries are insisting on a tariff-cutting formula in agriculture so complex that it will almost inevitably ensure failure. This position is so hawkish, and so at odds with business's views, that it raises doubts as to whether or not the ministers are willing to negotiate. Crucial talks take place in Geneva this week.

These politicians claim that they are fighting for the protection of European farmers. This is not correct. The tariff cuts proposed by the European Commission, on Europe's behalf, more often protect food processors than farmers. Only one-quarter of the 200 or so products that would remain the most protected after the Doha round are farm products. Among them are surprising items, from cucumbers and gherkins to rice (there are six rice-growing farms among the top 10 beneficiaries of farm subsidies in France).

The food products that would remain the most protected after Doha, if the Commission's proposal prevails, are a hodgepodge of waste products (dog and cat food), products with no trade potential (yoghurt) and certain goods that involve a wide range of close varieties. Further liberalisation of these goods may require adjustment from food producers rather than from farmers.

In addition, the post-Doha tariffs proposed by Europe vary hugely, even where there are minimal differences in product classification. This leaves the door wide open to misclassifications and ultimately corruption. Because it would freeze these widely dispersed tariffs for many years to come, a World Trade Organisation agreement on such a basis would generate severe distortions in Europe's agriculture.

Unless European trade ministers want to face frustrated industrialists, services providers and farmers, it is time to change gear.

Europe should mimic in agriculture the negotiating formula used in manufacturing - that is, it should impose deeper tariff cuts on the currently most protected products and smaller tariff cuts on the currently less protected products.

Such a "rebalancing" would kill two birds with one stone. Cutting more deeply into the highest tariffs would boost the gains for European consumers - especially the poorest. Cutting low tariffs (mostly on farm products) by a lesser amount would ensure the support of a vast majority of European farmers, while still opening European agricultural markets.

The deeper the farm tariff cuts, the more convincingly Europe can argue that cuts in domestic subsidies should be modest in order to allow smoother adjustment to possible trade turbulences. Contrary to the US, Europe is ready to pay the price for such a modest outcome, namely a stricter definition of permitted subsidies.

Some European politicians hope to save the Common Agricultural Policy by letting the Doha round fail. But the Doha negotiations are in fact likely to deal the final blow to the CAP as it currently exists. As shown above, these talks are revealing to farmers Europe's true priorities. Moreover, they are helping European farmers to realise that the impact of common European tariffs varies with each member state's production structure.

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Some countries produce goods that are mostly in categories protected by high tariffs, giving them a stronger level of overall protection from imports than other countries that produce farm goods largely in lower-tariff categories.

Today, agriculture is roughly twice as heavily protected in Ireland as in southern European countries. Cutting the highest tariffs more and the lowest ones less would introduce the level playing field that farmers will need as the CAP changes so as to provide for smaller subsidies, distributed differently among European farmers.

Ironically, France would be a significant beneficiary of successful negotiations in agriculture. As French farmers are not among the most protected in Europe, they would benefit from rebalanced tariffs and a reformed CAP.

French farmers are beginning to realise all this and to wonder whether they should not support a swift CAP reform. When will French politicians do the same and lead instead of dragging behind?

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