

RADIO FREE EUROPE *Research*

COMMUNIST AREA

EE & USSR: Agriculture

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THE POULTRY INDUSTRY OF EASTERN EUROPE

Few agricultural enterprises are as widely spread around the world as poultry farming. The production of meat and eggs from domesticated fowl is a feature of every agricultural society regardless of climate or social system. As there are no religious or cultural sanctions against poultry, as with pork consumption, the products enjoy universal favor among all classes of people in all countries. New developments in the field of nutritional science have enhanced the value of poultry meat as one of the most nutritious and healthful sources of protein, vitamins and minerals.

As a result, the western world has seen a dynamic growth and specialization in the industry since the war. Egg production and meat output have been virtually separated into two functions. While the small private flock still exists, the rise of the large commercial poultry factories specializing in meat or eggs with their own marketing system has been the dominant feature in the western world. The techniques developed have been transplanted to other countries so that the model of poultry production showing some elements of a scientific system are to be found scattered in many parts of the world.

In the East European Communist countries the poultry industry has historically been well developed. Some progress has been made in recent years in installing on state farms the western system of large scale factory-type production units with meat and egg production as separate enterprises. The export of poultry products is an important source of foreign currency in the Comecon countries, as the display of geese, ducks, and turkeys on western markets during the holiday season so well

demonstrates. Goose-raising is a fairly major enterprise in all Eastern Europe countries, but the scientific improvement of the fowl has not been as spectacular as broiler and turkey production. The science of genetics seems to have been stymied as concerns breeding a more productive and efficient meat-yielding goose.

While poultry production is an important item in the national farm product, in the aggregate it ranks far below other meats in the national total of beef, pork, mutton.

Share of Poultry as Part of Total Meat Output and
Total Poultry Meat¹

	<u>Share of Poultry</u> (Percentage)	<u>Total Poultry Meat</u> (1,000 tons)
Bulgaria	11	43.
CSSR	7	50.
Hungary	26	157.
Poland	5	94.
Rumania	12	86.
USSR	9	800.

The front position of Hungary is poultry meat production in Eastern Europe is a novel distinction -- over a fourth of its aggregate meat output is derived from poultry. This places Hungary in one of the foremost positions in the world as a specialized poultry economy.

The information in the above table provides a rational aid to central farm planning. Poultry are decidedly the most efficient convertors of feed into quality meat. It takes about two units feed to produce one unit of live gain in poultry, with pigs the ratio is five to one, while in beef cattle it is ten to one. This high feed efficiency should be the economic rationale for a sharp increase in the poultry population if central planners

1) Data derived from East European Agriculture Review, 1966, USDA, p. 104.

would only give thought to a more rational allocation of resources. Only twelve percent or less of the total meat supply coming from the most efficient sector of the livestock industry would seem a poor choice in any enlightened economic order, Hungary excepted. But the decisive issue appears political -- the regimes recognize that their industry is peculiarly adapted to small peasant farming, and in the Comecon terrain this fact implies private plots.

Among the anomalies of the communist agricultural system, the structure of the livestock industry is ideally adapted to the private enterprise sector. It has been shown in previous papers that the private plots have played the decisive role in the milk, beef, and pork industries. But with poultry, however, the superiority of the private sector is so impressive that the regimes obviously are too embarrassed to publish the breakdown between the public and private sectors. A meaningful comparison can be made, however, by an analysis of egg production. Since egg output is a function of the poultry industry, its distribution by ownership sectors provides an accurate comparison of the weight of the private sector.

Percentage Share of Total Eggs Produced
by Private Sector, 1965³

Poland	95
Hungary	86
USSR	70
Bulgaria	60
CSSR	54
Rumania	-

On a weighted basis of the five countries reported on above, it is clear that over 75 percent of the total eggs produced originate in the small private flocks of peasants and workers. In decollectivized Poland, the industry is conducted almost wholly in private lands. It is significant of the limitations of collectivized agriculture that

2) RFE Research reports "The Dairy Industry" of 4 December 1967, and "The Pork Industry" of 14 December 1967, by cz.

3) East European Agricultural Review, page 113.

the state farm system has not made an impression in contributing to such an important valuta earner as the poultry industry. In the Hungarian poultry industry a similarity with its pork distribution pattern exists - two-thirds of the pigs and 86 percent of the poultry are privately owned. Clearly Hungary has the most liberal policy on private holdings among the collectivized economies of Eastern Europe. The Soviets have long made efforts to establish "poultry factories" based on the western model but nonetheless approximately 70 percent of the poultry is still in private hands. The magnitude of socializing the fowl industry can be seen in perspective when the fact is considered that it has taken the Soviet Union twenty years to build poultry shelters for one-fourth of its national flock.

The most socialized agricultural systems, those of Bulgaria and Czechoslovakia, lead in the degree of publicly owned poultry as they do in the pork and dairy industries. Even in such strongly centralized systems, the poultry industry remains dominantly in private hands. For Rumania, unfortunately, there are no relevant statistics on poultry husbandry readily at hand but it is widely recognized that the major share of the industry is privately operated.

Privately owned poultry flocks in the collectivized countries are kept in small units and fed table scraps, some grain, and the left-over crop residues in the collective fields. In this respect, the industry is ideally adapted to small-scale peasant farming. It requires no resources from the state budget; it is self-containing. No doubt this very superiority is an embarrassment to the regime ideologically but, from the vantage view of economic choice, it is sound policy. Improvements could readily be instituted. More and better feed grains could be sold by the state to the farmer. Improved strains of poultry could be developed for the rank-and-file operator. Disease control measures could be carried out. The State already operates and has a monopoly in the collection, processing, and distribution of poultry products for export. Assisting the producers to expand or improve their poultry operations would seem a logical plank in agrarian policy, given the efficiency of the utilization of resources.

Studies in the field of modern nutrition all indicate the desirability of raising the consumption of poultry meat and products among consumers for creating a healthier, urbanized society. Poultry is the superior food of the future. The popularity of poultry products in the dietary pattern of Eastern Europe is fully apparent. The regimes

in that area could well adopt measures for the expansion and stabilization of the industry. This would promote the welfare of the peasantry and the urban consumer as well as help to replenish the state coffers. Thus far, the industry has flourished on its own initiative. With some assist from the state it could develop into a high state of abundance and profit for all concerned.

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