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OILSEEDS: THE CURRENT GLAMOUR CROPS

The cropping structure in the agriculture of many countries has undergone significant change in the past decade or two that reflects shifting emphasis on the utility of different crops in the development of the national economy. Although the problem of providing an adequate supply of domestic cereal grains, or their substitutes, is still the primary task in most developing countries, as well as in some of the more advanced economies, the expansion of crops with utility for both food and industrial use has been a distinct feature of the post-war period. This has been true, in particular, of the oilseed industry.

Oilseeds have, in a way, become the glamour crop. Their rise has coincided with the development of the atomic industries. Apart from a wide range of utilization in food products, due to the fact that new dietary knowledge of the role of vegetable oils in maintaining health has distinctly enhanced their demand, the plant oils have likewise profited from an ever expanding use in the industrial sector. In fact, because of the interchangeability of different fats and oils in the food and industrial markets, the multiple use features of the industry have made oilseeds rate high as foreign exchange earners. In addition, the by-product of the oilseed industry, the oilcake, is a valuable commodity and widely used as high protein feed for livestock. With the increasing demand for livestock products in industrial societies, the consumption and trade in oilcake commodities has been greatly expanded in recent years. The overall outlook for the oilseed industry is distinctly favorable.

While there are about 15 different oilseeds grown in the temperate zones of world agriculture, the principal ones are soybeans, sunflowers, flaxseed, rapeseed, and mustard seed. Most require a rather warm climate and a long growing period, which limits the scale of their cultivation.

The Last European Communist countries, in line with the world development in oilseeds, notwithstanding their preoccupation with solving their own grain problems, have also concentrated on the expansion of oilseeds. The chronic deficiency in animal fats made it imperative to accelerate the more readily produced plant oils for food and industrial consumption. The Comecon countries development in oilseed production shapes up as follows:

	Sown area (thou hec)		Yield in seeds (thou tons)	
	Pre-war	1964	Pre-war	1964
Bulgaria	244	246	171	341
GDR	--	145	--	189
Poland	66	252	140	276
Rumania	122	522	120	575
USSR	4997	6272	3080	6640
CSSR	21	63	17	51
Hungary	137	124	140	125

Ekonomika selskogo khozyaistva, No. 9, 1966, p. 107

FAO Yearbook, 1965, passim pp. 128-136

On the average, there was a 40 percent increase in the area sown to oilseeds from the pre-war level to 1964 in the Comecon countries while the gross output of oilseeds rose by 125 percent. By way of comparison, the United States, the leading oilseed producer in the world, raised the output of its primary soybean crop from 2.5 million tons to

23 million tons, an 860 percent increase from 1939 to 1965.¹

The Soviet Union dominates the oilseed industry in Comecon, accounting for three-fourths of the sown areas and total seed output. Rumania and Bulgaria follow in that order. Each country grows about ten different kinds of oilseeds, but the vast share consists of sunflowers, rapeseed, and flaxseed, with sunflowers accounting for over 80 percent of the total yield. The Soviet Union leads in the sunflower industry with 83 percent, followed by Rumania with 9 percent, and Bulgaria with six percent of the Comecon output. It has been made a profitable crop to grow with the aid of a generous price schedule established by the state planning organs. There are frequent complaints, however, that the level of marketability in sunflowers is low. In the USSR only 65 percent of the seeds are delivered to the state, the balance consumed on the farms.² This difference is held up as a "reserve" for the farms to improve the marketability of vegetable oils.

In the countries with cooler climates (Poland, Czechoslovakia and East Germany) rapeseed is the primary vegetable oil crop. Here, too, the accent on raising the supply has brought a substantial increase in output with a 90 percent advance in production achieved since the pre-war period.

Oilseeds, like grain, are a crop that reflect value judgments of political consequence in economic planning. Notwithstanding a positive growth in the output of oilseeds in the Comecon countries, the supply does not begin to meet the demand in the Soviet Union and the East European Communist nations. In fact, shortages are acknowledged. However, the Soviet Union, Rumania and Bulgaria are exporters of oilseeds, oilcake, and the vegetable oil itself, both intra-block and with western countries. With particular reference to the export of oilcake, this is a self-defeating process as the primary deterrent to the growth in the output of livestock products remains the feed shortage, mainly the high-protein feeds like oilcake. In fact, with the exception of Rumania, all the Comecon countries have imported oilseeds, oilcake, or animal fats from the United States rather consistently in recent years. Particularly Poland, Czechoslovakia, and the GDR have been primary importers of oilseed products from the western world.

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- 1) Agricultural Statistics, 1956, p. 125.
1965 Crop Production, USDA, 20 December 1965, p. 15.
 - 2) Ekonomika sots. selskogo khozyaistva, 1965, p. 433.
 - 3) Ekonomika selskogo khozyaistva, No. 9, 1966, p. 108.

The role oilseeds play in a modern industrial economic order may be seen in perspective when those sectors of the Comecon countries' economies are compared with that of the United States. When the basis of comparison is made on oilseed crops grown in the north temperate climates of the world, excluding China, the United States with 58 percent of the Comecon countries population produced 38 percent of the world's oilseeds in 1964 compared to 16 percent for the combined output of the Soviet Union and East Europe.⁴ This is a revealing yardstick for measuring the gap between Comecon oilseed resources and those of the leading producer.

To step up output and overcome the vegetable oil deficiencies, the Communist regimes are relying mainly on raising the hectare yields by means of using improved crop varieties and better soil management. There is also mention of specialization of production among the several countries based on respective climatic advantages. These measures are at best marginal as oilseed culture requires fertile soil, a longer growing season, and favorable moisture conditions; requirements that are competitive with cereal grains, sugar beets, and high value crops. Since the cropping area is limited and competitive, the outlook for an upsurge among the glamour crops of the oilseed family does not look propitious for the Comecon countries.

4) The world output of cocoanut and palm oil is excluded since they are tropical crops and hence not comparable. FAO 1965 Yearbook, pp. 125-133.