

230
Munich, March 13, 1962 (Research and Evaluation - Sterner) -- The 1963 plan target for the export of Polish foodstuffs was achieved in 1961 -- a performance which clearly surpasses the achievements of any other member of the socialist bloc. Polish food exports have increased by some 123 per cent since 1955.

According to the Party theoretical monthly "Nowe Drogi" (for March), 90 per cent of current food exports find their way to capitalist markets, with 12-15 per cent going to the United States. The magazine added the wry observation that "during recent years commerce (in food products) started to develop with the socialist countries as well".

Poland has long preferred to exchange food products for hard Western currencies, rather than involve them in dubious Comecon barter arrangements which Party Chief Wladyslaw Gomulka is known to find unbusinesslike, at least at the present time. In 1960, food exports brought 56.3 per cent of the total income of foreign currencies into the country.

The United States, Great Britain, West Germany, Italy, Switzerland, France, Spain, Belgium, Portugal, Sweden, Austria, the Netherlands, Greece and Norway are the principal Western importers of Polish foodstuffs.

The increasing efficiency of Polish private agriculture (87 per cent of the national farmland), the introduction of material incentives (in the form of increased state purchase prices), good weather, and the opportunity of importing large quantities of US and Canadian fodder grains (representing about two-thirds of total grain imports) -- have combined to raise significantly both agricultural production and food exports over recent years. The importance of the availability of US fodder grains, which may be paid for in zloty, is considerable. Gomulka has himself said that "it pays to import fodder, in order that we may export meat". Following are tables which illustrate the growth rate of farm production and food exports, with 1955 the base year.

	1955	1956	1957	1958	1959	1960	1961
Agricultural Production:	100	107.4	111.8	115.1	114.1	129.3	132.3
Food Exports:	100	85.0	94.5	143.4	167.2	177.4	222.9

Another factor which enabled foodstuffs to rise in their share of the value of all exports from 15 per cent in 1955 to ca. 21.6 per cent in 1961, is that the food processing industry has been greatly modernized in recent years. Processed foods now account for 88 per cent of exports, while raw agricultural produce provides the remaining 12 per cent.

Meat, of course, is Poland's specialty. Animal products are exported at a rate of three to one over vegetable products. While Hungary, East Germany, Bulgaria and Czechoslovakia were all suffering a shortage of meat last year, the Polish national consumption of meat rose by 42 million kilograms over 1960.

Poland is now the sixth largest exporter of foodstuffs in the world in terms of the dollar value of exports per capita of population (\$ 11), with new markets opening up in Brazil, Lebanon, Cuba, Venezuela, Israel, the United Arab Republic, Africa and the Near and Far East.

The pattern of this particular aspect of Polish foreign trade is very interesting. Private peasants produce agricultural goods which are in turn exported to Western nations in order that Poland can acquire hard Western currencies with which Western precision machinery can be bought -- in order to build socialism.

LEN 1750