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POLYANSKY ON FARM POLICIES AND THE INVESTMENT CONTROVERSY, HARDY PERENNIALS

Writing in the jubilee issue of the Party's ideological journal, Kommunist, Politburo member D.S. Polyansky, who acts as spokesman for the highest Party body on agricultural affairs, made a persuasive and reasoned case for a more proportional development between industry and agriculture in the Soviet economy. This was accompanied by a plea for more capital investment from state sources to achieve improved living conditions for the peasantry and assure greater output in the countryside.

Under the title "On the Role of the Union of Workers and Peasants in the Reconstruction of the Modern Village," he developed his discussion on farm policies starting from the ritualistic Party slogan to eliminate the distinction between town and country and called for gradually raising the rural living and cultural levels to those of the urban population.

But early in the article, Polyansky builds himself an ideologically defensible position by invoking the standard formula:

The primary task of the party has been and remains a more rapid development of heavy industry, the foundation of the whole national economy.

Having insured this preferential development of heavy industry, which is the sphere of activity of the working class, Polyansky continued, the state at the same time

- 1) Kommunist, No. 15, 14 October 1967, pp. 15-31.

constantly directs attention to kolkhoz and state farm production, the sphere of activity of collective farmers and farm workers. The Party decisions on agriculture have aimed at securing a significant upsurge in agricultural output which will further strengthen the friendship between the working class and the collective farm peasantry, he declared. A high rate of growth in farm production is now as much an objective necessity as the further development of industry, Polyansky maintained.

Becoming more specific, Polyansky said the times called for a proportioned development of all branches of public production, particularly a more equitable balance between industry and agriculture. Such a harmonious development between the two sectors is a vital factor in the building of Communism. However, agriculture in past years has developed considerably more slowly than industry, although it has accounted for one-third of the "net profit" in the national accounts.² He blamed the "subjective attitude" of some leading officials for the fact that agriculture had long received less than this share of the means of production in the past. The March (1965) Plenum decisions reversed the trend: capital investments in agriculture were considerably raised. The process would require a redistribution of national income for agricultural use but it would not be done at the expense of other segments of the economy, he emphasized. A balanced, proportioned allocation of resources was the objective.

To support his point, he cited areas where Soviet agriculture is still underdeveloped: in the number and diversity of tractors, combines, farm trucks, power machinery, and general mechanization on the farms and in the vital livestock industry, and in rural electrification.³

Polyansky then warms up to his central theme, which interpolated with the 1968 reductions has touched off widespread comment in the west.

The main issue now is to increase steadily state capital investment in agriculture and at the same time utilize effectively the colossal

2) Narkhoz, 1965, page 591, gives the share of agriculture in the gross national income as 22 percent. Thus, agriculture's contribution to national net income is considerably greater, 33 percent compared to 22 percent.

3) For example, the USSR in 1966 had one tractor for 135 hectares of cropland compared to the USA and West Germany in 1965 with 39 and 7.5 hectares per tractor unit respectively.

reserves inherent in the collective farm system.

[Emphasis added]

The reference here is unmistakable -- the primary need is for a sustained increase in state capital investment which would enable the collective farms to raise their share of the flow of funds into agrarian development.

At the same moment, Polyansky evokes the mantle of Party general secretary Brezhnev to press his point, although he does not quote him directly:

In certain areas of our planning and economic apparatus, as has been noted several times by L.I. Brezhnev, there persists a failure to understand the importance of a more rapid upsurge in agriculture and attempts are continuing to balance out ("sbalansirovat") the figures in favor of other branches of public production at the expense of the collective and state farms. Such tendencies are extremely dangerous for our general welfare, he said. They must be overcome, for without the further development of agriculture one cannot successfully build a communist society.

Considering the impeccable authority of the ideological journal, it seems fairly certain that Polyansky would not have called on Brezhnev without the latter's approval.

Polyansky then proceeds to a description of the improvements in the cultural and living conditions now under way in the Soviet country-side. He brings in vistas of green areas, and flowers, unpolluted air and waterways, schools, libraries and stadia as idyllic settings to make life in the provinces productive and enjoyable. This reconstruction of the countryside will not be carried out by individual farms but coordinated in an integrated manner for entire raions. It will require concentrating additional investment in new centers as well as in established villages. The appearance of the countryside will change so that the city will no longer be an attractive alternative to the rural people. Such reconstruction, he concluded, is beyond the means of kolkhoz resources and must be undertaken from both state and kolkhoz funds.

Politburo member Polyansky also called for an equilization in the terms of trade for the rural population. The price relations between industrial products purchased by farmers and the price of goods sold by the farms should be on a more equivalent exchange basis. A major task, he said, would be perfecting the price system at equitable price levels.

In passing, it should be recorded that, while Polyansky advocates a progressive, egalitarian policy to move toward bringing the amenities of agricultural life in line with those of the urban population by a balanced, proportionate development of the two sectors, he is still a hard liner when it comes to the suggestions of the reform economists, Venzher, Lisichkin and others. He condemns as nonsense their proposals to abolish central planning of procurements of farm products, to give priority to market operations in determining prices and supply, and that planning in general is incompatible with the collective farm system. Here he is clearly on the side of the orthodox agrarian spokesmen, Selskaya zhizn and the central Ministry of Agriculture officials, who have consistently resisted any structural changes in the kolkhoz-sovkhoz system.

Relative to the powerful role the social funds play in raising the living and cultural levels of the peasantry to those of the city workers, Polyansky maintains that the primary source of such funds is the state budget. And as the distribution of these services is significantly lower on the collective farms "than in the cities," he argues for a more proportionate distribution of social funds and, indirectly, for raising the allocations from state sources.

The whole thrust of the Polyansky argument for a more proportionate, balanced distribution of resources between the rural and urban sectors of the economy proceeds from the stereotyped slogan of liquidating the "social-economic and cultural-living" differences between town and village. Polyansky feels this to be the key issue today in the countryside -- "one of the most urgent tasks in our life." But at a price, he maintains, of a rise in state funds as the immediate and decisive determinant.

A Balance Sheet

The Kommunist article may well become a benchmark in the contentious struggle over investment priorities that have been indigenous to Soviet planning and Kremlin

infighting. The timing of the price is crucial, coming on the eve of the Jubilee anniversary and immediately after the Supreme Soviet session on October 10-11. It was at this session that the Gosplan chief, Baibakov, announced that productive investment from state sources would be 76 percent higher for the 8th five-year plan (1966-70) than in the preceding five years (1961-65).⁴ The original Brezhnev proposal at the March (1965) Plenum called for a total of 41 billion rubles for productive investment from state sources for the new plan period compared to the indicated 35.7 billion rubles figure of Baibakov's, a 13 percent cut from the original target set in 1960, or a 25 percent drop from the increment proposed by Brezhnev. The issue is specific in its reference to state sources only, which account for more than half of total investments.

The fact that Polyansky has for the second time this year publicly taken up the defense of increased investments in agriculture is indicative of a sustained and serious debate on investment priorities within Gosplan and the Politburo. Just how deep the contending groups are split into rival camps in the Kremlin is conjectural. Some western sources feel Brezhnev and Polyansky were defeated in the Politburo debate.⁵ It is unlikely Brezhnev would have allowed Polyansky to cite his support for increased investments in the Kommunist piece had the general secretary not been of the same conviction. But then too, in the keynote speech at the Jubilee celebrations, Brezhnev promised that primary stress would be placed in the agricultural sector on land amelioration and said that "the country is now in a position to invest more funds in agriculture."⁶ This was a generalized remark at a ceremonious gathering and indicates his general attitude toward farm development and not a precise position for or against current cutbacks in investment. Obviously, the October Revolution ceremonies were not the appropriate occasion for a speaker to take a stance on controversial Party issues. The debate over Brezhnev's position, and whether he was in the minority in the Politburo decision, hinges on a quantitative determination -- he is known to be a staunch advocate of higher investments for agriculture but would he not condone a 13 percent cut pro tem during a period of uncertainty in foreign affairs?

The whole history of Soviet investment allocations to agriculture shows pronounced elasticity in implementation. Stalin and Khrushchev both snapped them about. Only once

- 4) Pravda, 11 October 1967.
- 5) Pravda, 27 March 1965.
- 6) Reuter, 26 October 1967; Baltimore Sun, 28 October 1967; Die Welt, 27 October 1967.
- 7) Pravda, 4 November 1967.

since collectivization, in the early part of the Virgin Land campaign, were investment plans fulfilled and then for only two years. Capital investments essentially are the allocation of the produced instruments of production and, with the added demands of space, military, and foreign aid commitments, dislocations in the supply of heavy industrial goods could partially account for a cut-back in resources. Then too, in calling for improvements in the price system in favor of agriculture, Polyansky had in mind the gradual improvement in the farms' ability to raise their share of investments. But the immediate issue in his plea was the need for more funds from state sources for the reconstruction of village life and the assurance of an upsurge in farm output.

As a measure of the intensity of the political debate over agricultural investments in the upper levels of the Party and state organs, Polyansky's two public pleas for agriculture have progressed from a summary of a speech made in the Altai and published in Pravda (3 March 1967) to the extensive disquisition in the exalted pages of Kommunist. For a certainty, the debate over the investment issue will continue and likely even accelerate. All through the course of Soviet history it has cropped up like a perennial weed, and is as difficult to control. At the moment, Polyansky and his supporters seem in the minority but, as Lenin once wrote, "every vegetable has its season." Meanwhile, Brezhnev appears as the "invisible hand" keeping the collective leadership in line, but not in step.

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