

RADIO FREE EUROPE *Research*

COMMUNIST AREA

EE/5

• East Europe & USSR:
Agriculture

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EAST EUROPEAN FARM OUTPUT IN 1968 -- GOOD BUT SPOTTY

Summary: On the whole, the Comecon countries showed good results in agricultural output last year. The record performance in the Soviet grain crop made up for the slippage in the Danubian basin countries where an early summer drought curtailed farm output. The results were spotty but nonetheless good. Policy changes in Eastern European agriculture played a telling role in the gains achieved. The task, however, of reaching high and stable yields remains a formidable objective. The outlook for the coming year is, at best, for a modest growth.

Agricultural production in the East European communist countries was spotty but in the aggregate reached a high level last year.

The Soviet Union, Poland, and Czechoslovakia enjoyed record or near record outputs in 1968, largely on the basis of excellent grain crops combined with continued good output of industrial crops and livestock products. Excellent conditions for growth, reinforced with greater off-farm inputs, contributed to the good performance in these countries although the envisaged goals were not reached. Among the countries which failed to equal their 1967 output returns were Bulgaria, Rumania, East Germany, Rumania and Yugoslavia. Unfavorable weather conditions, particularly among the winter grain crops, accounted for the setback and were the depressing factors that offset added increments in the allocation of industrial inputs. After

five successive years of sustained growth, agricultural production in Eastern Europe leveled off in 1968. The USDA index showed a negative growth rate with Yugoslavia, Bulgaria, and Rumania registering declines of 5 to 18 points.

In a comprehensive review of agricultural developments in the major communist areas, each year the U. S. Department of Agriculture publishes an index of net and per capita agricultural output over a sequence of years. Following is the 1966-1968 index:

1966-68 Index of Agricultural Production						
Net Total and Per Capita*						
(1957-59 = 100)						
	T O T A L			P E R C A P I T A		
Country	1966	1967	1968	1966	1967	1968
Bulgaria	155	152	134	145	141	124
Czechoslovakia	111	113	120	105	106	113
East Germany	111	122	121	113	124	123
Hungary	117	119	119	114	115	114
Poland	129	135	142	117	122	127
Rumania	141	139	134	133	130	125
Eastern Europe	127	130	130	120	122	121
USSR	137	134	143	121	118	124
EE & USSR	133	133	138	120	119	123

* The Agricultural Situation in Communist Areas: Review of 1968 and Outlook for 1969, published in 1969 by USDA, p. VI.

The record performance in the USSR, largely the result of the multiplier effect of a mighty grain crop, brought the total and per capita output of the East European countries to a record level.

An extended early Spring drought in the southern part of Eastern Europe put a firm brake on the area's agricultural growth. After five successive years of growth, a record performance in the annals of socialized agriculture excluding the USSR, farm output leveled off during 1968. As mentioned before, only Czechoslovakia and Poland showed gains in net output -- 7 points on the USDA scale. Good weather conditions and greater use of material inputs contributed to this rise. The slight decline in East Germany and equilibrium in Hungary following the good harvests of 1967 indicate that a plateau may have been reached.

Although crop production was variable among the countries, all the Comecon nations showed an upturn in their livestock output. For the Danubian basin countries this development reflects higher slaughter rates because of feed deficiencies, but in the northern areas the upsurge in the livestock branch illustrates an improvement in feeding rates and feeding efficiency.

Notwithstanding dry weather in the major producing countries, the total wheat output (wheat is the major Eastern European crop) declined only 4 percent from the previous year's record of 25 million tons (excluding the USSR). The sharpest setbacks occurred in Bulgaria and Rumania, 22 and 17 percent respectively. Hungary reported a rise in wheat volume, a result of a 7 percent increase in the planted area. The major importing countries, Czechoslovakia with 3.1 million tons, and Poland with 4.6 million tons, came through with sizeable gains in wheat.

Feed grain production -- the main indicator for livestock product output -- declined for the second successive year, likely indicating a renewed emphasis to expand acreage and allocate greater resources to this area of production. Corn production was down 11 percent, barley 5 percent, and oats 3 percent over the 1967 level.

Other major crops registered some downturns during the year, particularly in sugarbeets, tobacco and cotton. Both potatoes and oilseeds, crops with multiple uses, did well.

The Danubian basin countries are major producers and exporters of fruits and vegetables. There was a pronounced drop in fruit and vegetable production in Bulgaria, Hungary, Rumania, and Yugoslavia last year which had an adverse affect on the balance of payments.

Livestock production was reported by Comecon countries as having moderately increased. In some cases this was done at the expense of the herds when reduced feed supplies forced the slaughtering of livestock. Some countries report reduced breeding herds at the start of 1969, which suggests a cutback in meat production this year.

The 1969 outlook for Comecon agriculture is for modest growth in line with population increase. A repeat of the record Soviet performance is hardly likely. Maintenance of the present growth rate is dependent on continuing industrial inputs into agriculture, moderation of policies, and favorable weather. The relatively slower growth rate at the new level is expected to continue since no major changes appear ahead. To achieve the Party's goal of high and stable yields, and independence of grain imports in some countries is still a formidable task.

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