

# RADIO FREE EUROPE *Research*

## COMMUNIST AREA

EE & USSR: Agriculture

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### PRIVATE FARM POWER: LOW GEAR BUT MOVING

As the sole exception among the Communist countries, Yugoslavia allows its private farmers to purchase farm machinery from foreign countries as well as on the domestic market. The demand for machinery so far exceeded the supply that the Yugoslav authorities deemed it advisable two years ago to lift the restrictions on direct importation of farm machinery from abroad.

In a recent progress report, the Yugoslav Customs Administration disclosed that private farmers have imported equipment valued at 106 million dinars (8.5 million dollars) in the two years since the reform was initiated.<sup>1</sup> Most of the machines imported were mowers, tractors, cultivators, grain binders, and sprayers. It is rather significant that during the second year of the new policy over 2000 tractors and cultivators were imported by private farmers. Such power units give the independent peasantry solid roots in the countryside. Among the less costly equipment, automatic grain binders increased by 7 percent during the second year, hay loaders by 6 times, and the number of threshing machines total 230 units or 7.5 times more than previously. Imports of other modern power units, motorized sprayers and water pumps, reached about 1000 units during the second year. Besides machinery for field operations, the press release also confirmed that private producers imported equipment for mechanizing livestock farming: milkers, feed mills, and incubators.

It is a novel departure from the orthodox Communist posture on agricultural trade policy that a semi-official state paper greets these achievements by the peasantry with such approval.

1) Privredni Pregled, 4 November 1967, page 7.

"More favorable conditions have been created for a larger and more profitable agricultural production... and these figures show that farmers are becoming more and more oriented toward purchase of equipment with their own funds which, of course, is a positive factor."<sup>2</sup>

The indicated effects of the Yugoslav liberalization on the acquisition of farm machinery through direct importation as well as acquisition on the domestic market is not generally known among the farming masses in the East European Communist countries. As the members of cooperative farms in all Comecon countries are now preparing for the annual meeting on their respective collective farms, the "supreme authority in kolkhoz affairs," it would seem propitious to enumerate the existing status of privately-owned farm equipment in the East European countries. It is all the more timely an exercise in that policy discussions and some sort of democratic expression of opinion prevail at thousands of kolkhoz meetings from the Elbe to the Pacific.

The issue of supplying power and mechanization to the private sector which supplies from 21 to 40 percent of the total output in the fully collectivized countries is of profound political significance. To consign this sector to a hand and hoe technology is economically irrational and socially discriminating.

None of the East European regimes, Yugoslavia apart, has made it feasible for the private sector to acquire tractor power, much less full mechanization. It does develop on a limited scale that some cooperative farms with adequate power equipment resources do the plowing for selected members of the farms, but the seeding, cultivation and harvesting are all done by hand labor. Such direct help is not a general practice, however, because during the peak work season in the spring the kolkhoz machinery is required for the socialized sector. Quite as important a deterrent to use of kolkhoz machinery in the private sector is the fact that the state designed tractors and tillage machinery are too large in size to operate on the small plots. The state deliberately planned its power units to function in the large areas of the public sector so that their usefulness in the private sector would be strictly limited. What the private sector needs are garden type tractors specifically designed to operate in the smaller fields of the private plotter. But to provide such tractors would be a momentous decision of primarily political import. None of the regimes have squarely faced up to this issue, at least not publicly.



Poland, among the countries of the Communist camp, shares with Yugoslavia the distinction of supporting a system of agriculture that is privately-operated for the most part. But there the similarity ends. The sale of new or second-hand tractors to private farmers has been completely prohibited. However, some reaction to this rigid prohibition was announced by Gomulka at a meeting of the PUWP and the UPP at Poznan on 15 December 1967. Peasants may now buy junk tractors and machinery discarded as worn-out by the Agricultural Circles and state farms. Heretofore, they were denied even the right to the cast-off equipment -- the salvage enterprises were the sole recipients. But as to the prospects of peasants acquiring new or used but still serviceable tractors of their own Gomulka deferred such possibilities to the future: "the Party has not yet taken any decision on such transactions" but "probably after 1970 such a possibility will develop when the Agricultural Circles are to have power and machinery in quantity."<sup>3</sup> The machine work of the Agricultural Circles, it must be kept in mind, is expended approximately one-half on non-agricultural work and the balance on community power work. Very little is allotted for private use because, as mentioned above, the machines are generally too large for the private holdings.

In the Soviet Union, after over 38 years of collectivization, the private sector, which produces 33 percent of the total value of farm products, has not changed from its Stalinist mold. It remains a horseless, hand and hoe economy and there is no indication the Kremlin plans a reversal of policy.

The most novel departure from such power-starved peasant farming was made by the Hungarian authorities. Apparently on a trial basis, five hundred garden type tractors were imported in 1967 "that can be put to good use to make work easier and more effective on the household plots."<sup>5</sup> The cooperative farmers would be able in time to buy the machines, but their intended use was on the private plots for vineyard and fruit farms. Both these private sectors are the main source of grapes and other fruit in the Hungarian economy, accounting respectively for 65 and 55 percent of production. Of fundamental political importance is the fact that the Hungarians faced up directly to one of the decisive issues in Communist agriculture -- supplying power and

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- 3) RFE Situation report, Poland, 18 December 1967.
  - 4) RFE Research report, "Gomulka's Agricultural Policy," New Phase?" by M. Celt, 20 December 1967.
  - 5) Szabad Fold, 11 December 1966, page 11.

