## Agriculture by Rosa Tennenbaum

## Soviet agrarian crisis deepens

Despite emergency prescriptions by Gorbachov and the Supreme Soviet, things look grim for the spring planting.

▲ he supply situation in Soviet food markets has stabilized since the drastic price rises which took effect on April 1, according to an announcement by the Soviet Internal Trade Ministry. But at what cost! True, the lines in front of the stores are shorter. since consumers can no longer afford most of what is for sale: The stabilization of the supply situation is exclusively the result of shrinking demand. Demand for sausage, which was hardly high before, plunged after prices more than tripled. Shoppers make do by choosing items which are even worse in quality and hence cheaper.

So far, many households seem to have lived to a considerable extent off products they bought before the price rise. Diners and restaurants are reportedly almost empty. The crowds have even thinned in the canteens; now only 20% of students take part in the school lunch program. At university cafeterias attendance has dropped off 60%, in trade union canteens, 50%.

No improvement is in sight. Spring planting is occurring under significantly worsened conditions. Many fields could not be harvested last fall, let alone newly seeded or even tilled for the planting. At least a fourth more money than usual will be needed for labor and machinery, the word is in Moscow. In many regions, especially in the non-black-earth zones in northwest European Russia, heaps of straw still lie in the fields or last year's crop is still on the stalks.

Retrieval will not be easy, since many tractors and machines are in disrepair. Nationwide only some 83% of the needed equipment is operable, Moscow sources say. Getting new equipment to the farm collectives and soviets has been slowed by the ongoing strike. Things are so obviously critical that the Soviet cabinet and President Gorbachov have gotten involved with the spring planting. In a presidium statement on "Urgent Measures in Agriculture" Gorbachov said the situation was stretched to the limit. Meanwhile, the U.S.S.R. Supreme Soviet put out a decree on preparation for agricultural work, which speaks of a total crisis in economic as well as social relations in agriculture.

Both documents advance emergency measures. Gorbachov even speaks of mandatory steps to enforce government orders. Industrial trade union leaders and labor collectives will face sanctions if they don't meet their quotas for production for agriculture. Both statements devote much space to the supply of rolling stock, building materials, and manpower in the peak periods, as well as cash. Measures are also taken to divert investments planned for industry into agriculture and food processing. Despite its own huge problems and deficits, the distribution sector is ordered to put the machinery, spare parts, and fuel it had contracted for at the disposal of agricultural sector. Farm machinery manufacture in the future will receive priority on raw materials, so as to produce more combines and harvesting machines, for example.

The crop protection situation is disastrous. The needs for all field crops taken together are reportedly only half

covered, and for single crops such as potatoes, rapeseed, and cotton, only 10-15%. The shortage of wheat-rust fungicide alone, threatens crop losses of some 20 million tons of wheat, 30 million tons of sugar beets, and 40 million tons of potatoes. Gorbachov stated that 210 million rubles must be immediately earmarked to buy pesticides.

With such shortages, grain has become a kind of money. The regime ordered that cereals, legumes, and fodder can be sold against freely convertible currencies in the farm collectives and farm *soviets*. Thus, grain acts like a currency, traded directly against machinery, spare parts, fuel, etc. At some grain auctions, businesses offer even passenger cars in barter.

Private farms must also be given more operating means in the future, says the Supreme Soviet document. Already this year, production of smaller and medium-sized wheeled tractors will be significantly increased. Gorbachov in his decree told the republics to pass resolutions to allow private operators as many fields as they ask for, even fields which are used by collectives. The private farmers are to be supported in making these fields usable, so that possibly already this year crops can be harvested, the decree says.

The insight that the farm sector must be privatized if the eternal shortages are ever to end is growing slowly, but it is growing. Rural folk are far ahead of the politicians in this respect. According to Moscow statistics, there are now in the Soviet Union 47,000 private farms, against 21,000 a year ago. Private owners are now working 700,000 hectares of land. And 18.5 million families belong to small garden cooperatives. Nationwide there are 8,500 new voluntary agricultural associations, which work for themselves. Others are being founded.

22 Economics EIR June 14, 1991