

## PRODUCTION, MARKET, AND AGRICULTURAL INCOME IN 1962

### Summary

The elaboration constitutes a consecutive analyses on the situation in agriculture, worked out by the Analytical Laboratory of the Department of General Economics of the Institute of Agricultural Economics. The series was initiated by the paper: "Agricultural Production and Market in the Years 1956—1961".<sup>1</sup>

In the Preface of the Part 1 of the publication the aims of analyses were considered in details. Thus we feel to be excused for the lack of their recapitulation in this part.

May we now draw attention to some differences occurring between the former and actual elaboration.

In the first one we have tried to concentrate ourselves on many-year tendencies, while in the actual one we investigate mainly their evolutions occurring in a shorter space of time, though with due reference given to the previous processes.

Both range and source materials of our analyses were widened in this paper. According to our last year's announcement, the analysis has been widened by such problems, as: agricultural income and turnover of agricultural commodities in foreign trade. We considered to be purposeful to give a separate, monographical characteristics of evolution of productional situation of the State Farms, notwithstanding from resp. remarks put in the analysis of general situation in agriculture. This being necessarily formed by the tendencies existing in peasant farms, and therefore it doesn't present any complex picture of the situation in the State Farms.

Analyses was been mainly based on materials of general statistics, being, after all, the only one source of a representative and full base of such a type of elaboration.

On the background of productional situation in agriculture in 1962 it seems to be purposeful to expose some general remarks and conclusions.

Owing to unfavourable weather conditions in Spring and Summer 1962, and serious crop decreases of all basic cultivated plants, this year can not, by no means, be considered as a successful one for the agriculture. The results of this fact being different and their manifestation is different, too. It seems to be the more right to stress that the total result of analyses being against a pessimistic overestimation of

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<sup>1</sup> Problems of Agricultural Economics, Supplement No 4/1962 and „Basic Elements of the Development of Productional Situation in Agriculture in the Financial Year 1961/1962” — *Wiś Współczesna*, No 11 and 12, 1962.

the productional situation in agriculture. Though in some sections the influence of some distinct deep non-conjunctural sources of difficulties may be ascertained, on the other hand, the positive and permanent tendencies being observed.

Ascertaining extremely sharp crop reduction in 1962 showing twofold deeper decline from the trend indexes than the mean of the last decade, we must admit that in spite of unfavourable situation, the crop level, being lover than the record crop of 1961 only, and jointly with the crop of 1960 — it belongs to the best in the history of our agriculture. This fact is, no doubt, a plastic expression of consolidation of all those indexes of our agriculture, having a structural, permanent influence on the crop level.

The permanent character of the improvement of productional situation in the State Farms is quite distinct one.

The development of beef production based on the young cattle rearing, presents a definitely positive element of productional situation in agriculture. Though this process being still "in statu nascendi", nevertheless the last year allows to notice at least two important moments:

1. the quantity of cattle obtained as the result of calves rearing, exceded for the first time the quantity of meat obtained from another forms of cattle breeding,
2. the new developed trend of meat production has played an important role of an absorber in the further decrease in pig production.

Dynamic increase in rape production deserves, too, to be mentioned here. Somewhat less distinct is the situation in wheat production; though there is no distinct increase of the land wheat production, nevertheless its dynamics is much more favourable than concerning remaining cereals. According to the questionnaires received, there is a strong tendency concerning wheat production. Territorial differentiation of changes in wheat share in the sowing structure suggests quite distinctly, that up-til now non-wheat voivodships are showing more interest in the wheat production than remaining regions.

The milk situation belongs to the not quite developed. In the last years this situation became more difficult owing to the decrease, of milk production. However, in the same time the intensification of the process of rejuvenation of cow herds occurred, being postponed in the period 1957/57. Actual difficulties may be of an temporary character only. According to the answers received from the farmers through the questionnaires — their productional attitude for the nearest future being the priority of milk production, previous to other productional activities.

At the same time, the situation in 1962 allows more distinctly than it was in the past years, to perceive existence of many negative phenomena, having a deeper, non-conjunctural foundation. The aspect common for all of them being, of course, fodder deficit, stepping sharply out in different aspects of the analysis. Especially some data of the questionnaires pronounce definitely that in the peasant farms a considerable potential of fodder transformation capacity for the meat production, is not fully exploited owing to permanent lack of concentrated feddstuffs. This being especially true concerning pig breeding

We suppose, that a lack of stabilized dynamics of pig livestock may be considered as a serious weakness of our system of the management of agricultural production. We suppose, too, that, at least the degree of this fluctuation, is not conditioned by the objective factors only. It seems that it results, among others, from imperfection of the system of influence exerted by economic policy on the development of this branch of production: from imperfect system of farms supply with concentrated feedstuffs, from the lack of serious instruments regulating piglets' market and leveling conjunctural interregional differences and from the both industrial and State Farms' weakness concerning live pigs production.

Vegetable and fruit growing belongs to particular weak point of agricultural production. Extremely low vegetable crops in 1962 made this problem especially difficult, the more so it occurred simultaneously with the crisis in the live pigs production.

Deficit of fruits and vegetables and simultaneous strong increase of retail prices led to the increase of price index for food products purchased by town inhabitants; this index — in our conditions being decisive in real wages estimation. The problem of vegetables we consider to be one of those demanding some fundamental solutions both in productional and turnover spheres, and it must occur in a form similar to those taken recently up concerning increased supply of agriculture with industrial fodders.

In the light of analysis of agricultural situation in 1962 we must stress once more permanent needs concerning supply of agriculture with fundamental industrial means of production. Inadequate rate of growth of supply of farms with fertilizers induces serious losses both for agriculture and national economy.

Analyses of the process of investments in peasant farms shows significant permanent restrains of its development, resulting from inadequate supply and faulty structure of supply of productional means in agriculture. According to actual experiences, the temporary sharpening of some of those deficiencies compels the economic policy to introduce sudden and unforeseen changes in the many-year investment-productional plans. This being carried out, of course, not without respective social costs. We suppose, that these problems might be duly solved by the more accurate planning way.