

Soviets Chart Frontiers to 1985

An analysis of the Central Committee summer plenum

A plenary session of the Central Committee of the Soviet Communist Party, held July 3-4 and primarily dedicated to the future of Soviet agriculture, was the occasion for the most comprehensive agriculture policy statement by General Secretary Brezhnev in this decade. It is also the first time that Brezhnev has enunciated goals and directives for the period 1981-85, and thus marks the start of drafting the USSR's 11th Five-Year Plan.

The variable most subject to fluctuation and most difficult to fix in Soviet planning is the input from foreign trade, especially from the capitalist sector. Imports do not record a high percentage of the Soviet national income (analogous to GNP), but are marginally decisive in several industries.

Soviet planners are already calculating into their programs, especially for Siberian development, the provisions of the 25-year economic cooperation package signed by Brezhnev and Chancellor Helmut Schmidt of West Germany in May of this year.

Similarly, they hope to incorporate new broad Russo-Japanese agreements, which will, above all, accelerate

the energy- and industrial-complex growth rate on the Siberian frontier. Yuri Leonidovich Brezhnev, a Deputy Foreign Trade Minister, is in Tokyo to prepare the ground for negotiating such a package at the regular Japanese-Soviet mixed economic commission meeting in the autumn.

Speaking to the Supreme Soviet on July 5, Prime Minister Kosygin described a law being passed to strengthen the effectiveness and flexibility of central government institutions for implementing the USSR's economic and social programs. Touching on the government's responsibility for foreign trade, he underscored that Soviet-American trade is only "at the most rudimentary stage," with the U.S., accounting for only 2 percent of the Soviet Union's foreign trade turnover.

Without a shift sharply into the magnitude of industrial expansion demonstrated by the initiatives of Schmidt and the Japanese, the U.S. is running the risk of being shut out of the most productive trade and development policy of the USSR to date: development of the Siberian frontier.

— Rachel Berthoff

Brezhnev's Industrialized Agriculture Program

In his July 3 address to the Central Committee, President Brezhnev reviewed the past 13 years of his policy for Soviet agriculture, which dates from a March 1965 Central Committee plenum. At that time, the Soviets instituted a policy to stabilize the agriculture sector after years of increasingly haphazard innovations by Nikita Khrushchev.

The approach to agriculture in the Brezhnev period has been basically sound: the steady increase of agricultural productivity through industrialization. Among the most important special programs begun in these years are the Non-Black Earth zone plan of capital construction in the old areas of northern Russia (announced in 1974); the creation of agro-industrial complexes that combine agriculture and food-processing in specialized farm-factory complexes (experimental for several years in Moldavia, then declared national policy in a 1976 Central Committee resolution); and a concerted program to increase fertilizer production.

Despite these efforts, the agriculture sector remains the least productive in the USSR and a drain on the national economy. With 30 percent of the population engaged directly in farm labor and households, Soviet agriculture is a tightly clogged bottleneck. An across-the-board improvement in infrastructure, mechanization

levels, fertilizer base and other inputs—on an order of magnitude possible only with an expanding world economy and East-West trade — will be necessary to alleviate the chronic inefficiencies.

Industrial Agriculture

Brezhnev defined two goals in his July report. The first was "to mobilize the party and the people for successful implementation of the (current, 1976-80) Five-Year Plan" in agriculture and improvement of its technological base. In other words, an all-out effort to recoup shortfalls accumulated in the first two years of this plan period.

Secondly, Brezhnev presented a long-term perspective for further industrial development of Soviet agriculture. He set a preliminary goal for gross grain production of 238-240 million metric tons annual average in 1981-85 and one ton per capita for the Soviet population of over 250 million by 1990. The previous record harvest is 224 million tons. Combined with comparable growth in meat and dairy industries, Brezhnev said, this will "make it possible...by the end of the 11th Five Year-Plan (1985) to approach scientifically-established norms of per capita food supply."

Brezhnev introduced his account of how this will be

accomplished with capital investments and industry for agriculture. Capital construction for agriculture in the 11th Five-Year Plan will at no point be less than the current proportion of 27 percent of capital investment in the whole economy.

This investment level, which has risen from 20 percent in 1965 to 23 percent in 1966-70 and 26 percent in 1971-75, reflects the "sinkhole" problem of Soviet agriculture. Once the crucial bottlenecks in the sector are unblocked, rising efficiencies will permit the portion of capital investment that goes to agriculture to fall, as it should in a technologically progressing economy. But the unblocking requires a large infusion of capital goods on a "one-time" basis — a solution which lies in the realm of East-West, particularly Soviet-American, trade.

"Although our plenum today is dealing with agriculture," Brezhnev said, "we always remember the leading role of our industry. We will continue to invest in industry as much as it needs." And for agriculture itself, industry must gear up capacities for producing agricultural machines and "radically solve their quality problems."

Brezhnev reviewed, crop by crop and sub-sector by sub-sector, what has to be done to produce more meat, raise feed protein levels, utilize new trucks, etc. He dissected the major growth programs with a critical eye, not hesitating to pronounce performance in the Non-Black Earth zone — a project he made his personal responsibility in 1974 — to be seriously lagging.

Concerning capital investments, he named provinces where "these investments are not yielding sufficient return," and demanded rectification in those areas.

Several pricing changes and an alleviation of collective farm debt were announced, to spur farm output for the immediate period ahead.

'A Region Headed Into The Future'

With a whistle-stop train tour of Siberia shortly before his visit to West Germany this year, Brezhnev gave new impetus to the Soviet national campaign for Siberian development. Starting with the shift north and east of the USSR's main fossil fuel resource base, Siberia is becoming the locus of industrial development breakthroughs determining the growth rate of the entire Soviet economy.

The government daily Izvestia is now sponsoring a cross-country tour of reporters to produce a series of

articles on Siberian development. Excerpted here is an analysis by Academician G. Marchuk, chief of the pioneering Novosibirsk-centered Siberian Branch of the USSR Academy of Sciences, in an interview conducted by Izvestia reporters on the Siberia tour and released July 19.

The accelerated economic development of Siberia . . . is a national task

I would like first of all to point out that a scientific solution of the problems of Siberia is possible thanks to the creation on its territory of an extensive network of scientific centers and institutes

The first stage of your tour was Western Siberia. Its chief problem is a pace-surpassing development of the fuel and energy industry. This is of national significance. The entire increase in oil production in this five-year plan; 90 percent of the natural gas increase and 80 percent of the coal increase will come from Siberia Extremely important at this time are the full analysis and exploitation of oil and gas resources and the determination of further geological deposits

The Sayano-Shushensk industrial complex deserves very serious attention. This is centered on the energy of the largest hydro-electric station in the world, being built in Sayany, and exploitation of the mineral wealth of this area. The construction of approximately two hundred enterprises is projected, including turbo-generator and heavy electrical equipment factories. But the most important thing is not the quantity of factories, but that the Sayano-Shushensk complex be created in a coordinated fashion with a well-balanced infrastructure

In Irkutsk Region, the Baikal-Amur Mainline begins. This railroad is fundamentally transforming the entire territory from the Lake Baikal area to the Pacific coast. The economic development of the BAM zone has been plotted by a collective of scientists from the Siberian Branch. But there remain many unsolved questions . . . (such as) the best sequence of bringing sections of the BAM on line and getting the area's natural resources into the economy. The country must have a real return from the BAM as soon as possible.

The first such "return" is expected in a few months: the ability to transport coal from the South Yakutsk industrial complex to the Pacific. The southern Yakutsk area is of interest to specialists because iron ore deposits there are not far from the coal. If the prognoses of geologists are borne out, we will have everything necessary for creating for the East its own steel base.