

NOTES ON FRENCH AGRICULTURAL PROSPECTS, 1952/53

Although French agriculture can play an important role in helping not only France but Western Europe attain viability, progress toward this objective has been hesitant. Slowness in re-parcelling the land, increasing the effectiveness of the extension service, and utilizing French agricultural resources to the full have so far held France back from achieving prewar agricultural production levels. While progress continues in some direction, it is unlikely that French production and export goals for 1952/53 will be met.

I. Background

During the 1930's, France was virtually self-sufficient in bread grains, meat and milk products, but dependent on imports for fats and oils and livestock feed. French agricultural exports were largely limited to wine, liquors, canned goods, and in years of surplus, wheat. The total French agricultural exports paid for a moderate proportion of agricultural imports. Domestic consumption levels, both quantity and quality wise, were probably inferior to Northern European countries, but statistics are weak on this point because of the under-reporting by French farmers.

Despite the fact that French land fertility, rainfall and temperature conditions are among the most favorable to agriculture in Europe, French agricultural performance fell below that of her Western European neighbors during the 1930's. Yields were lower, fertilizer ^{use} was less and scientific farm management and mechanization lagged behind that of her northern neighbors.

Many of the basic difficulties persist at the present time.

The organization of the land into farming units is considered poor. As much as one-fifth of the land is cultivated by farm units of less than 10 hectares. Each farm unit frequently consists of many non-contiguous parcels and approximately half the land requires re-parcelling in order to achieve optimum economic farm units. France is still less mechanized than the U.K., Italy, Netherlands, and Switzerland. Fertilizer use continues to be among the lowest in Europe. The French agricultural plan is grappling with these and other agricultural problems.

II. French Agricultural Goals

During the period of total national planning after the war, the Monnet plan for agriculture was borne. The plan, which emerged from grass root sentiment and top level thinking, envisaged an increase in production of 25 percent over 1938. Table I shows some of the French agricultural goals as recently reformulated. As can be seen from the table, production rises were envisaged in all items (except oats, which were to be reduced because of the expected decrease in horse population) primarily by increasing yields. Yields were to be raised by greatly increasing application of fertilizer (see table II) re-parcelling the land, mechanizing, using scientific methods, and increasing farm facilities. The incentive to these improvements was to be provided by government assurances of steady markets, price supports, and loans at low rates of interest. The total investment outlay over a four year period was to be around 500 billion francs.

The agricultural plan has been under constant review, and goals and planned methods have been altered in line with changed economic conditions. Table III presents the capital investment plan as of 1949, but this program is being steadily outmoded. At the present time,

the agricultural ministry is thinking in terms of expanding agriculture more than previously planned, in view of the foreseen difficulties in marketing industrial products abroad.

The primary objective of the agricultural policy was to convert the pre-war agricultural deficit on the international accounts into a substantial surplus, (313 million dollars by 1952/53), although the objective of increasing consumption was not lost sight of. Export goals were placed at:

1,500,000 tons of wheat
120,000 tons of meat
21,000 tons of butter
21,000 tons of cheese
plus traditional exports.

III. Evaluation of Plan and Progress to Date

A. General

The role that could be played by French agriculture in strengthening the economic and political organization of the Western world is only now being fully understood. In view of the probable oversupply of steel, machinery, chemicals, and other industrial products in relation to the markets open to Western European countries, and in view of the undersupply of agricultural goods in the U.K., and Trizone, an expansion of French agricultural production is probably called for. In order to fulfill its role as an agricultural supplier, however, France may need to find ways to lower the foreign sales price of agricultural goods.

French planning to date in agriculture has not been revolutionary, although it may appear ambitious in view of the prewar French trends.

The yields planned are not large when compared to the achievements of Belgium, Netherlands, U.K. etc. The amount of planned fertilizer use is moderate compared to the quantity which could be used with profit to the farmer. A considerable amount of potentially tillable soil will still be left unused, and grasslands will be used only imperfectly. The revolutionary implications of hybrid corn are not completely appreciated as yet. The part that could be played by permanent grassland, when properly cared for is also slighted.

B. Techniques

Reparcelling of land is woefully behind the Monnet Plan schedule. Reparcelling, which has been going on for 100 years in France, is a time consuming process, in all events. With the present administrative staffs, it is expected that only a small part of the land will be reparcelled by 1952/53.

Fertilizer use is far behind schedule. See Table A-7 in the French Data Book. Fertilizer consumption in 1948-49 crop year was about equal to that in 1947-48, despite the greater availabilities of fertilizer. The consumption trend continues poor in the last few months. Factors responsible are the high cost of fertilizer, the lack of market assurances for agricultural goods, the lack of an adequate extension service to teach the value of fertilizer use, and the shortage of funds in the hands of the farmer. Although the government is considering lowering the tax on fertilizer products to reduce their costs, only slow progress is expected in fertilizer use.

Tractor production is now substantially below the peak production reached in March 1949, and farmers are purchasing few tractors. The French 1952 goal of 200,000 tractors on the farms may well be too high. Because of the slow pace of reparcelling, the opportunity for tractor use is still limited in France, and the French farmers frequently prefer to retain their horses even after purchasing tractors in view of uncertainty in gasoline supply and price.

The Extension Service is being expanded in 1950, but American observers believe that the Extension Service should be expanded still more. It is believed that the quality and size of the Extension Service will remain inferior to French requirements.

Price supports continue on several agricultural commodities (grain, beets, oil bearing plants) and the levels will undoubtedly be raised in line with cost conditions. Prices cannot obviously be raised more quickly than the general increase in worker's income without causing labor antagonism.

In summary, it appears that progress in implementing the agricultural program is very slow.

C. Production, Yields, and Acreage

Production of cultivated crops is highly dependent on weather conditions, and accurate predictions on production cannot be made. Livestock and dairy production is somewhat less dependent on weather. Outside of weather, the second major determinant of production is the probably market conditions. The internal market conditions will depend largely upon the growth of industrial production, since that factor will determine the purchasing power of the city dwellers. This rise will tend

to be quite moderate. The external market depends largely on the economic organization of Europe. OIR feels considerable progress will be made in the direction of increasing trade among the Western European countries through the formation of the EPU, regional industrial and agricultural pooling agreements, and the dollar shortage. Considering total agricultural production, it is believed, on the basis of present trends, that the index of agricultural production will not greatly exceed 110 in 1952/53 (1938 = 100) compared to 96 in 1949. Baring bad weather, domestic food consumption should rise equally with industrial production, or at about the rate of 3 percent per year.

TABLE I

THE HECTARE, YIELD AND PRODUCTION OBJECTIVES FOR 1952

OF THE AGRICULTURE PROGRAM AND PERFORMANCE PREWAR AND 1949

(Surface in thousands of hectares)

(Yield in quintals per hectare)

(Production in thousands of quintals)

	1934-1938	1949 (Estimate)	1952	Indices (1934-38 = 100)	
				1949	1952
Wheat					
Surface	5,224	4,223	4,660	80.0	89.2
Yield	15.6	19.3	20.2	121.2	129.5
Production	81,432	80,820	95,000	96.9	116.7
Oats					
Surface	3,278	2,436	2,350	72.5	71.7
Yield	13.9	12.2	17.1	95.0	123.0
Production	45,717	32,250	40,120	68.4	87.7
Barley					
Surface	742	896	1,250	118.5	168.5
Yield	14.1	16.0	18.3	114.2	129.8
Production	10,741	14,310	22,900	131.5	213.2
Oil Seeds					
Surface	15	185	246	123.3	164.0
Yield	12	10	14	83.3	116.7
Production	180	1,857	3,450	1031.7	1916.7
Grassland					
Surface	3,027	3,075	3,300	101.6	109.0
Yield	35.5	29.1	44.8	82.0	126.2
Production (Hay)	107,552	89,402	148,000	83.1	137.6
Temporary Grassland					
Surface	557	978	950	175.6	170.6
Yield	30.1	21.0	35.8	69.8	118.9
Production (Hay)	17,396	20,563	34,000	118.2	195.4
Forage					
Surface	709	767	860	108.2	121.3
Yield	32.8	25.5	48.4	77.7	147.6
Production (Hay)	23,912	19,577	41,500	81.9	173.5
Sugar Beets					
Surface	318	391	400	122.9	125.8
Yield	276	227	307	82.2	111.2
Production	87,858	88,686	123,000	100.9	140.0

TABLE III (continued)

	1934-1938 (Estimate)	1949		Indices (1934-38 = 100)	
		1934-1938 (Estimate)	1952	1949	1952
Milk Production	146	--	170	--	116.4
Meat Production	1,700	1,942	2,200	114.2	129.4
Oils and Fats Production	325	470	540	144.6	166.1
Sugar Production	767	750	1,300	97.4	169.5

TABLE II
CONSUMPTION OF FERTILIZER
(In Millions of Tons)

	<u>Actual Consumption</u>				<u>Planned Consumption</u>	
	<u>1938-39</u>	<u>1946-47</u>	<u>1947-48</u>	<u>1948-49</u>	<u>1949-50</u>	<u>1952-53</u>
Nitrogen (N)	218,000	180,000	222,000	300,000	340,000	450,000
Phosphate (P ₂ O ₅)	425,000	325,000	418,000	500,000	600,000	800,000
Potassium (K ₂ O)	293,000	305,000	366,250	450,000	600,000	700,000

TABLE III

NET INVESTMENTS PLANNED FOR AGRICULTURE 1949-1952

(Billions of francs)

I. For the Farm	
Consolidation of Land Parcels	8
Land Improvement	25
Roads	8
Rural Construction	31
Additions to Water Supply	40
Electrification	15
Forest Equipment	20
Extension Services	10
Biological Equipment	55
Purchase of Agri. Machines	255
Cooperatives (milk stations, fruit stations, silos, sugar refineries, others)	31
	<u>499</u>
 II. Equipment of Industries	
Milk	9
Slaughter houses	16
Sugar Refineries	30
Others	3
Food industries	28
Refrigerating Equipment	<u>14</u>
	100
 III. Other (Nitrogen Fertilizer, Agricultural Machinery)	
	<u>11</u>
	610
