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NATIONAL ECONOMY SHOWS PROGRESS
 IN PAST 5 YEARS

The first years of the Fatherland Front government had to be devoted to restoring war damages. One of the first measures of the Fatherland Front, however, was to establish control of the working classes over production, to assure a normal output, and to prevent sabotage. Speculation and black markets flourished during the war, but legal and administrative measures of the Fatherland Front put an end to these activities in a relatively short time.

The fight against inflation was also successful. Previous fascist governments had been printing unlimited amounts of bills; the circulation of paper money had grown from 2,800,000,000 levas in 1938 to 45,834,000,000 in 1944, including bonds. This meant that the circulation had increased about 16 times, or 160 percent, and foreshadowed a major inflation.

The new government put a stop to this development by launching a Liberty Loan, subscribed to within a short time because of the active support of the workers. A monetary reform was introduced in March 1947: old bonds and notes had to be exchanged for new bills. As a result, money circulation was returned to reasonable limits, almost twice as low as before the reform. Simultaneously, a single property levy was ordered, but tax-exempt property was fixed at a very high level, so that the working classes were practically exempt from the measure, which affected only big capitalists. These measures permitted 21,600,000,000 levas to be allotted to construction during the 1944 - 1946 period, a very large amount considering the handicaps which had to be overcome during this period.

The land reform outlined in the political platform of 17 September 1944 provided for dispossession of large private landowners in favor of landless and small landed peasants. The new agricultural land law of 9 April 1946 created a state land fund of 2,438,000 decares, of which 1,346,897 decares were allotted to 128,825 families, 743,704 to state farms, and 64,000 decares to farm cooperatives.

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The Fatherland Front government firmly and consistently carried out the measures called for by the land reform but had to eliminate a great number of scattered and unproductive small farms to consolidate national agricultural economy. There were only 28 farm cooperatives prior to 1944. These served as a basis for further development of cooperative farming. A special Farm Workers' Cooperative Law was passed in 1945 and since then the number of cooperatives has increased rapidly, as follows: 1944, 28; 1945, 398; 1946, 480; 1947, 549; 1948, 1,100; 1949 (to 1 August), 1,594.

In spite of difficulties created by the shortage of machinery and by insufficiently organized work, the cooperatives' grain yield was 10 to 13 percent higher than on private farms. Record crops were produced in 1948. Thus, for example, the cooperatives of Maritsa village in Pazardzhishko produced 374 kilograms of wheat per decare. The same is true for barley, potatoes, sugar beets, rice, and other varieties. It proves that Bulgarian soil, under proper scientific methods and sufficient mechanical aid, can produce two or three times more than heretofore. Farm workers' cooperatives have also done excellent work on intensive agriculture and in livestock breeding. Their sowing and harvesting planning is far superior to private farm methods. They also provide better technical and social services. In 1948 alone, 45 nurseries, 40 kindergartens, 70 community kitchens, cooperative health services, etc., were established. It is expected that the cooperative movement will become the leading factor in agricultural economy during the Five-Year Plan.

Another important reform in the agricultural sector was the establishment of machine-tractor stations. This development started in 1945 with five machine tractor stations, and showed the following progress: in 1946 there were 21; in 1947, 31; in 1948, 71; and in September 1949, 86.

In February 1948, the National Council passed a law for the acquisition of agricultural equipment. By virtue of this law, 3,350 tractors, 3,700 threshers, 1,660 tractor ploughs, and other equipment were acquired. Most of the equipment was transferred to machine-tractor stations.

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