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BULGARIAN FOREIGN TRADE IN 1954

[Comment: The following is the full text of an article by Frantisek Schubert, which was published in Zahranicni Obchod (Foreign Trade), No 7-8, July-August 1955, issued by the Czechoslovakia Ministry of Foreign Trade, in Prague. According to a footnote, this article was prepared on the basis of information contained in an article by A. Branichev, published in Vunshna turgoviya, No 2, 1955, Sofia.]

The development of the Bulgarian national economy has been accompanied by a development of Bulgaria's foreign trade. The 1954 plan for imports was exceeded by 2 percent, while the plan of exports for the same year was exceeded by 4 percent. The continual growth of Bulgaria's foreign trade is related to the rapid development of the nation's productive strength which has resulted from the rapid development of heavy industry, electrification, and other sectors, and the socialist rebuilding of the nation's agricultural sector.

As in previous years, Bulgarian foreign trade in 1954 was directed toward strengthening and expanding economic relations among the nations of the democratic camp, and with all other nations which strive for international cooperation on the basis of equality and mutual benefit.

In 1954, Bulgaria conducted trade with 40 nations, including 9 democratic and 31 capitalist nations. Among these were the USSR, Czechoslovakia, the GDR, Poland, Hungary, Rumania, Albania, China, Korea, Austria, Great Britain, West Germany, France, Belgium, the Netherlands, Italy, Switzerland, Norway, Denmark, Finland, Sweden, Yugoslavia, Greece, Turkey, Israel, Egypt, Syria, Lebanon, India, the US, Canada, Venezuela, Aden, Iran, Iraq, Jordan, Argentina, Indonesia, Morocco, and others.

Bulgaria had trade agreements with 26 of the afore-mentioned nations. In 1954, 13 trade agreements were renewed and two new trade agreements, those with Israel and Indonesia, were concluded.

Of the total turnover of goods in Bulgarian foreign trade in 1954, 87.44 percent was involved in trade with the USSR and the People's Democracies and 12.56 percent in trade with capitalist nations.

The participation of various nations in Bulgarian foreign trade in recent years is indicated in the following table (in percent of total value of foreign trade):

| <u>Year</u> | <u>Democratic Nations</u> | <u>Capitalist Nations</u> |
|-------------|---------------------------|---------------------------|
| 1945 | 93.40 | 6.60 |
| 1946 | 87.55 | 12.45 |
| 1947 | 82.20 | 17.80 |
| 1948 | 74.44 | 25.56 |
| 1949 | 82.06 | 17.94 |
| 1950 | 87.36 | 12.64 |
| 1951 | 93.04 | 6.96 |
| 1952 | 89.83 | 10.17 |
| 1953 | 86.46 | 13.54 |
| 1954 | 87.44 | 12.56 |

The 1945-1948 trade with Germany is listed entirely under the capitalist nations.

The table indicates that in the early years following World War II, 1945 to 1948, the volume of trade with the capitalist nations was on the increase. In 1948, it accounted for one fourth of Bulgaria's total foreign trade. However, since 1949, the volume of trade with capitalist nations declined as a result of discrimination against nations of the democratic camp by capitalist nations on the instigation of American monopolists.

In recent years, there has been a certain increase in the volume of trade with capitalist nations. There has been a continual and rapid increase in Bulgaria's trade with other nations of the democratic camp. The dynamic development of Bulgaria's foreign trade is evident in the following review of the increase in the volume of foreign trade (in percent with 1949 as 100):

Increase in Exchange of Goods

| | <u>1950</u> | <u>1952</u> | <u>1953</u> |
|---|-------------|-------------|-------------|
| Increase with members of Council of Mutual Economic Assistance | 105 | 166 | 195 |
| Including: USSR | 106 | 194 | 199 |
| GDR | 101 | 251 | 552 |
| Czechoslovakia | 100 | 117 | 127 |
| Poland | 87 | 76 | 84 |
| Rumania | 125 | 116 | 366 |
| Hungary | 120 | 166 | 280 |
| Albania | 31 | 116 | 168 |
| Increase with capitalist nations | 69 | 87 | 131 |
| Total increase | 98 | 153 | 187 |

The tempo of the development of Bulgaria's foreign trade with the democratic world since 1949 differs considerably from the tempo of the increase in the exchange of goods with the capitalist world market. The exchange with democratic nations increased from twofold to fivefold.

The data given indicate that each year the Bulgarian exchange of goods increases. For example, between 1952 and 1954, Bulgarian imports increased 16 percent and exports increased 28 percent.

The penetrating changes which occurred in Bulgaria altered her import and export structure from its very foundations. Up to 1939, over 90 percent of Bulgaria's exports were food products and industrial raw materials thus revealing the backwardness of the nation. Most of the nation's imports were finished products of light industry. Industrial equipment accounted for a far smaller portion of the nation's imports. Thus the import structure reflected the Bulgarian capitalist system's dependence on foreign capital.

The rapid advancement in industrialization expanded the kinds of Bulgarian exports. Instead of the 140 types of primarily agricultural products which were exported in 1939, Bulgaria now exports over 500 products of various types.

Tobacco occupies first place among Bulgarian exports, and is followed by various ores and concentrates, fresh and preserved fruits and vegetables, meat, eggs, live and dressed poultry, nonferrous metals, minerals, nitrogen-fertilizers, cement, sulfuric acid, glycerin, metal-working machines, electric motors, transformers, insulation materials, wool and cotton fabrics, parquets, furniture, glass, veneer wood, calcinated soda, plywood, and others.

Exchange of goods in 1954 reflected the efforts to strengthen economic relations with nations of the socialist camp as well as to expand trade with other nations. The part played by individual socialist nations in the exchange of goods with Bulgaria in selected years is indicated in the following table (in percent of total trade):

| | <u>1949</u> | <u>1951</u> | <u>1954</u> |
|-----------------|-------------|-------------|-------------|
| USSR | 48.15 | 60.48 | 51.41 |
| Czechoslovakia | 15.00 | 14.44 | 10.20 |
| GDR | 3.73 | 6.58 | 11.04 |
| Poland | 9.76 | 5.74 | 4.37 |
| Hungary | 3.02 | 3.39 | 4.53 |
| Rumania | 1.84 | 2.11 | 3.60 |
| China and Korea | -- | -- | 1.78 |
| Albania | 0.56 | 0.30 | 0.51 |

The USSR plays the major role in Bulgaria's exchange of goods. Imports from the USSR serve as the foundation for the building of socialism in Bulgaria. Among the goods imported from the USSR are the following: complete [industrial] plants, machinery and equipment for heavy industry, tractors, combines and other agricultural implements, automobiles, iron ore, nonferrous metals, superphosphates [fertilizers], India rubber, petroleum products, and other goods.

Between 1949 and 1954, the exchange of goods with the USSR has almost doubled. Trade with the USSR increased not only in volume, but also in variety, creating the opportunity for even greater exchange. In 1950, Bulgaria exported only 18 types of products to the USSR, but in 1954, this had increased to 76 different types of products. Capital goods such as machinery, investment equipment, and other equipment, are very important to the development of Bulgaria's means of production. The USSR is also an important market for Bulgarian products. The Bulgarian-USSR exchange and payments agreement and the long-range [trade] agreement between the two nations, both of which were concluded in 1954, as well as supplementary deliveries made in 1954 contributed to the rapid development of the Bulgarian national economy.

Trade with other nations of the democratic camp likewise increases year by year. With 1952 as the base year of 100, trade with the democratic nations increased 139 percent in 1953, and 147 percent in 1954. Exchange of goods with the GDR is particularly important. As of 1953, the GDR is second only to the USSR in the exchange of goods with the [remaining] democratic nations. Bulgaria exports a great volume of agricultural products to the GDR. In fact, agricultural products account for 70 percent of Bulgaria's exports to the GDR. Bulgarian imports from the GDR include primarily machinery, chemicals, and other products. A large volume of common consumer items is also exchanged between the two nations.

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Czechoslovakia occupies the third position in the exchange of goods with nations of the democratic camp. Czechoslovakia imports Bulgarian ores and concentrates, fertilizers, tobacco, rose and mint oil, agricultural products, and other goods. Bulgaria imports Czechoslovak machinery, electrical appliances, repair parts, tractors, trucks, aniline dyes, cellulose, paper, drugs, automobile tires, and other goods.

Poland imports [Bulgarian] ores and concentrates, tobacco, tomatoes, pepper, apples, grapes, [wood?] pulp, dried fruits, meat, eggs, and tomato puree, and exports [to Bulgaria] mobile cranes, mining machinery, pumps, compressors, machinery for the food industry, agricultural implements, railroad cars, paper, aniline dyes, and other goods. In 1954, Poland occupied the fourth position in the exchange of goods with Bulgaria.

In 1954, Bulgaria imported Hungarian combines, trucks, petroleum products, metals, locomotives, fertilizers, drugs, tanning supplies, and various valuable machinery. Hungary imports Bulgarian tobacco, cigars, meat, timber, fertilizers, lamb hides, ores, concentrates, and other goods.

Bulgaria's trade with Rumania increased particularly in 1954, and was double that of 1953. Bulgaria primarily imported Rumanian petroleum products, mining equipment, agricultural implements, paper, and drugs.

Trade with the People's Republic of China is continually increasing. Bulgaria imports Chinese tin, asbestos, natural India rubber, and other goods.

Each year Bulgaria's trade with Albania increases. To expand the exchange of goods between the two nations, Bulgaria granted long-term credit to Albania in 1954.

The over-all exchange of goods between Bulgaria and capitalist nations was lower in 1954 than in 1953. This decrease was brought about by Bulgaria's decision to liquidate the debit balance (pasivni salda) with capitalist nations. As of 31 December 1954, the balance had been paid.

Austria, West Germany, and Great Britain account for the major portion of Bulgaria's trade with capitalist nations. These nations accounted for 63.78 percent of Bulgaria's total trade with capitalist nations in 1952, 53.36 percent in 1953, and 66.57 percent in 1954. Bulgaria's exports to the capitalist world include the following: anthracite, fertilizers, cement, plywood, parquets, hides and skins, rose and mint oil, tobacco, seed, tomatoes, pepper, tomato puree, grapes, apples, fruit pulp, eggs, poultry, rugs, leather products, cigars, stained beech, and other products.

Bulgaria imports the following products from capitalist nations: various types of machinery, pumps, compressors, vehicles for the Bulgarian transportation system, railway equipment, metals, tanning supplies, aniline dyes, fertilizers, synthetic India rubber, cellulose, paper, cotton, drugs, copper sulphate, and other products.

The exchange of goods with some capitalist nations showed a tendency to decline during 1954, as a result of conditions present within these nations. Among these nations were France, Belgium, the Netherlands, Egypt, and the Near Eastern nations, which do not show any great willingness to buy Bulgarian products, even though these are offered to them under the same conditions as to other capitalist nations. Bulgaria imports a number of industrial products and common consumer items from those capitalist nations which purchase her products, as is the case with West Germany, Austria, and Great Britain.

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In 1954, a great effort was made to develop and expand the exchange of goods with nations which have not thus far had commercial relations with Bulgaria, and to conclude appropriate trade agreements with such nations. This was accomplished in the cases of Israel and Indonesia.

Another index to the expansion of commercial contacts is the number of foreign commercial delegations and individual businessmen who visited in Bulgaria in 1954, and the number of Bulgarian delegations abroad. In 1954, three times as many foreign businessmen visited Bulgaria as in 1953. In 1953, Bulgaria sent 13 delegations abroad and received eight foreign delegations. In 1954, she sent ten delegations abroad, and received 21 foreign delegations to Bulgaria.

During 1954, Bulgaria participated in a number of international trade fairs, including those in Milan, Paris, Leipzig, Vienna, and Damascus, as well as the Food Fair in London. Bulgaria participates in the work of the United Nations Economic Commission for Europe and its committees. Since 1953, Bulgaria has had a permanent representative on this commission.

The close economic ties between Bulgaria and the USSR as well as the people's democratic nations have promoted rapid industrialization, introduction of [modern] agricultural technology, and building of material and cultural foundations of socialism.

As a result of satisfactory fulfillment of the 1954 plan for the import of machinery, equipment, raw materials, and other supplies, it was possible to put into operation a number of major enterprises, such as the "Karl Marks" Soda Plant, a penicillin plant, and the "Vulko Chervenkov" Thermal Electric Power Plant. The "Aleksandur Stamboliyski" Dam, the "Rositsa" Hydroelectric Power Plant, the "Georgi Dimitrov" Dam, and the "Koprinka" Hydroelectric Power Plant were among those enlarged in 1954. The "Pasarel" Hydroelectric Power Plant, the "Stara Zagora" Hydroelectric Power Plant, and a lead and zinc plant were almost completely equipped with new machinery. New equipment was added at the "Stalin" Thermal Electric Power Plant and others.

During 1954, Bulgaria was supplied at the proper time with ores, cables, wool, synthetic fibers, synthetic cellulose wool, copper sulphate, caustic soda, fertilizers, and other products. Timely delivery of mining machinery, [mining?] equipment, raw materials, and other supplies was also made in 1954, thus permitting the satisfactory fulfillment of the 1954 national economic plan.

It is anticipated that the turnover of goods in Bulgaria's foreign trade in 1957 will be 180 percent that of the First Five-Year Plan. During the first 2 years of Bulgaria's Second Five-Year Plan (1953 and 1954), the turnover in her foreign trade was already 79 percent of what it was during the entire First Five-Year Plan.

The continually increasing needs for imports for socialist building demands a systematic increase in exports. This increase in exports demands the solution of a number of new problems. It is essential that Bulgaria's participation in her traditional markets be expanded, because her products have established an excellent reputation on these markets. It is essential that markets be found for new products produced by socialist industry. Greater efforts must be exerted to expand trade with nations of the Near East where Bulgarian products can be well utilized. Export production must be standardized, and particular attention must be devoted to the quality and packaging of export goods.

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Workers of the Bulgarian foreign trade sector are faced with great tasks in 1955. This will be solved on the basis of lessons learned in 1954, and their solution will permit the fulfillment of the main task assigned by the Sixth Congress of the Bulgarian Communist Party, namely, the continued satisfaction of the increasing needs of the workers.

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