

LBJ LIBRARY
Mandatory Review
Case # NLJ 97-208
Document # 13a

~~Confidential~~

13a



DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

*Agricultural Performance
and Prospects for Grain Trade in Eastern Europe*

APPROVED FOR RELEASE

AUG 2000

~~Confidential~~

COPY No. ⁹

RR IM 67-53

AUGUST 1967

WARNING

This document contains information affecting the national defense of the United States within the meaning of Title 18, sections 793 and 794, of the US Code, as amended. Its transmission or revelation of its contents to or receipt by an unauthorized person is prohibited by law.

GROUP 1
EXCLUDED FROM AUTOMATIC
DOWNGRADING AND
DECLASSIFICATION

~~CONFIDENTIAL~~

CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence

INTELLIGENCE MEMORANDUM

Agricultural Performance
and Prospects for Grain Trade
in Eastern Europe

Summary

Current prospects in Eastern Europe indicate that 1967, like 1966, will be a year of above average and possibly record harvests of breadgrain (wheat and rye) and fair to good harvests of row crops. This favorable outlook, combined with projections of a fairly good Soviet wheat harvest and wheat surpluses in Bulgaria and Rumania, may decrease Eastern Europe's demand in fiscal year (FY) 1968* for wheat from last year's most important Free World suppliers, Canada and France. Other than multi-year contracts with Canada calling for about 600,000 tons** of wheat in FY 1968, none of the Eastern European countries has contracted for or is known to be currently negotiating for wheat from Free World countries. Although the import requirements of the northern countries for feedgrain are expected to change little from last year, the United States can expect increased competition for this market from France, Yugoslavia, and possibly Rumania. All three countries will have unusually large quantities of corn, as well as barley from France, for export from their 1967 harvests.

* From 1 July 1967 through 30 June 1968; the crop year and the consumption year cover the same time span.

** Tonnages are given in metric tons.

Notes: This memorandum was produced by CIA. It was prepared by the Office of Economic Research; the estimates and conclusions represent the best judgment of the Directorate of Intelligence as of August 1967. The term Eastern Europe comprises, unless otherwise stated, Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Rumania.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Eastern Europe had an outstanding agricultural year in 1966. For the first time, every country in the area achieved or exceeded its planned rate of growth. Net agricultural production for the region increased by about 5 percent - the fourth successive annual increase - and was 20 percent above the average for 1957-59 (see Figure 1). The highest gains in output during 1966 were registered by Albania, Bulgaria, Czechoslovakia, and Rumania. (For indexes of total and per capita agricultural production, see Table 1.) Nearly perfect weather conditions prevailed in most countries, and all except Albania had the benefit of government agricultural policies that were designed to increase the resources devoted to agriculture and to raise farm prices and incentives. Continuation of these policies favors long-run improvements in agricultural production.

The bumper grain crops in 1966 permitted imports of grain in FY 1967 to drop for the second successive year to an estimated 6.8 million tons (about 70 percent wheat), about 1.6 million tons below the peak level of FY 1965 (see Figure 2). The USSR regained the role of major supplier of wheat to Eastern Europe largely at the expense of French shipments, and the United States increased its share of the feedgrain market. US sales of feedgrain to Eastern Europe during FY 1967 are estimated to have exceeded 1.1 million tons, a new high. Bumper harvests in Bulgaria and Rumania provided grain surpluses estimated at 400,000 tons and 1.5 million tons, respectively.

The food situation improved during FY 1967 throughout Eastern Europe, especially in the southern countries, which experienced a drought and a crop shortfall in 1965. The per capita availability of livestock products improved in all countries, although demand still exceeded supplies. Prices of meat and meat products went up, but the cost of the worker's food basket during FY 1967 remained stable in most countries because of lower prices for vegetables, potatoes, and animal fats. The overall food situation is expected to continue relatively good during FY 1968.

~~CONFIDENTIAL~~

CONFIDENTIAL

Figure 1
EASTERN EUROPE: Index of Total and Per Capita Net Agricultural Production
Before 1938 and 1955-66

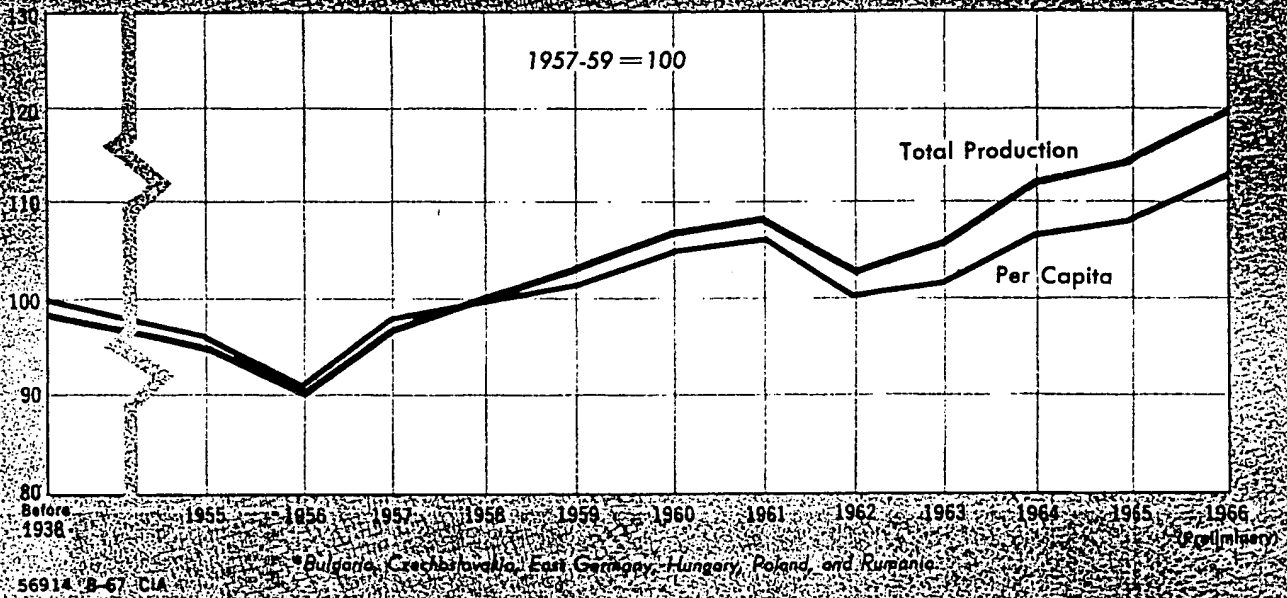
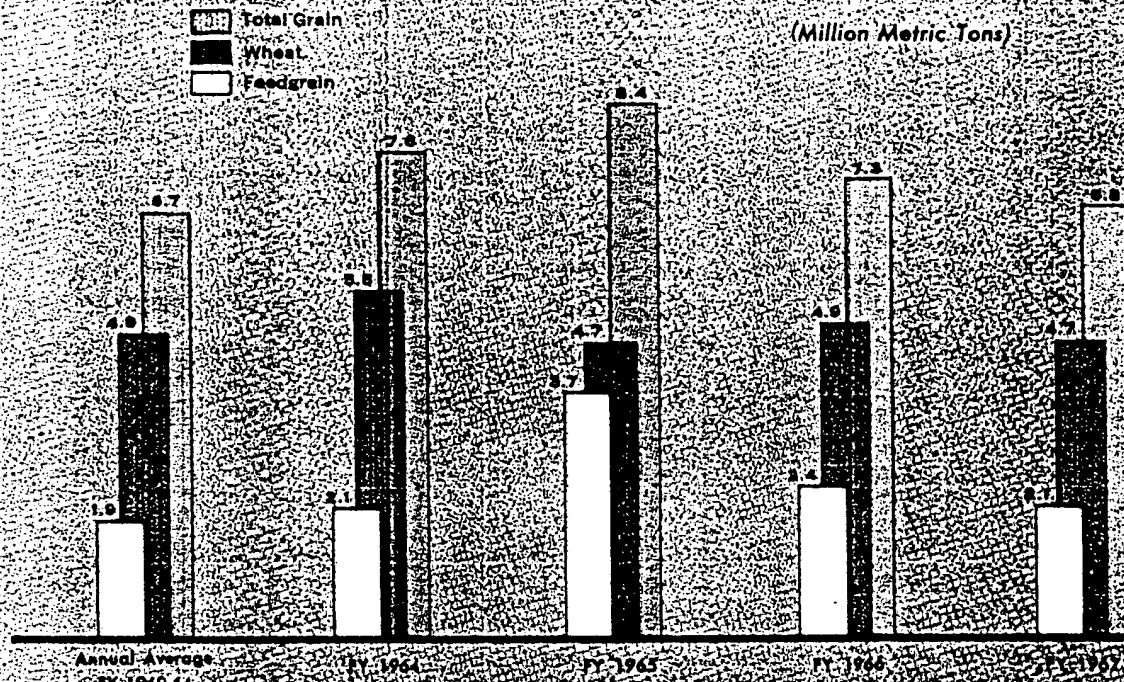


Figure 2

EASTERN EUROPE*: Estimated Gross Imports of Grain**
FY 1960-64 and FY 1964 Through 1967



CONFIDENTIAL

~~CONFIDENTIAL~~

Crop Production in 1966

1. The production of grain, potatoes, sugar beets, and oilseeds, the major crops in Eastern Europe, was greater in 1966 than in 1965, and the output of all except potatoes reached new highs. The bumper crops resulted more from increased yields per hectare than from significant increases in acreage. Better growing conditions were a major factor in the higher yields, especially in the southern countries, but higher farm prices and increased inputs of chemical fertilizer, agricultural machinery, and improved seeds also played a part.

2. Production of grain in Eastern Europe in 1966 reached a new high of about 52 million tons, about 6 percent above 1965, and production in every country exceeded the average annual output for 1959-63. As shown in Table 2, there were generally large increases in the production of coarse grain throughout the region, especially in Bulgaria and Rumania. The harvest of breadgrains declined in every country except Albania, Bulgaria, and Czechoslovakia, but output was still above the average annual level for 1959-63 and was of relatively good milling quality.

3. The harvest of late summer crops was much improved over 1965, when drought in the southern countries -- Hungary, Rumania, and Bulgaria -- and too much rain in East Germany, Poland, and Czechoslovakia adversely affected yields of row crops. Production of potatoes and sugar beets increased by 14 percent and 18 percent, respectively, compared with 1965. The largest increases were registered by Czechoslovakia and the southern countries. The sugar content of the beets was below average in the major producing countries, and the estimated output of raw sugar increased only 8 percent. The output of oilseeds for the region was mixed, the southern countries achieving higher production and the northern countries generally lower production than in 1965. Production of fruit and vegetables equaled or exceeded the output for 1965 in all countries.

~~CONFIDENTIAL~~

4. Yields of forage crops and pastures in 1966 were very good throughout Eastern Europe. For the northern countries this was the second successive year of good forage production. Although the usable quantity of green feed was reduced by wet weather, untimely harvesting, and improper storage, it was still sufficient to permit an increase in the output of beef and milk during 1966 and the first quarter of 1967.

Livestock Production in 1966

5. The three-year upward trend in the output of livestock products continued in most countries of Eastern Europe, but the rate of growth was lower than in 1965. Good results in the production and procurement of livestock products can be attributed to higher procurement prices, improved feeding practices, and continued import of high protein feeds in 1966-67.

6. Output of red meat rose only 2 percent over 1965 (see Table 3.), Although production of beef increased, production of pork was down in Bulgaria, Czechoslovakia, Hungary, and Rumania because of the smaller number of hogs carried over from 1965. The total output of milk for the region reached a new high, in spite of fewer cows, and exceeded the average annual output for 1959-63 by 11 percent. The dairy industries in East Germany, Czechoslovakia, and Poland, however, were unable to use all of the increased output of milk. The production of poultry meat was up throughout the area. Higher feed costs and a depressed market lowered egg output in East Germany and Poland, but production in the other countries increased.

7. Favorable price policies for cattle raising that were initiated by the East European governments in 1963, combined with good pasture and forage crops, have raised the number of cattle to a new high. Only in Bulgaria did the number of cattle in 1966 decline and remain below the average annual level for 1959-63. The number of cows, however, showed smaller increases than for

~~CONFIDENTIAL~~

all cattle; the number for Czechoslovakia and Hungary is still below the average annual level for 1959-63 as shown in Table 3. The total number of hogs in Eastern Europe changed little from the low level of 1965. Although substantial increases occurred in East Germany and Poland, a shortage of grain for feed and unfavorable pricing policies caused the number of hogs in the other countries to decline, or at best to remain constant. The total number of sheep in Eastern Europe rose about 2 percent, mostly on the strength of a 7-percent increase in Rumania. Except for the two largest sheep raising countries, Bulgaria and Rumania, the number of sheep has been declining since the late 1950's. However, the introduction of higher prices for wool and breeding subsidies to sheep farmers in 1965-66 may have reversed this trend in Poland and, possibly, in Czechoslovakia.

8. Hungary had been forced to curtail meat exports in 1965 because of foot-and-mouth disease but increased its exports of both beef and pork in 1966 in spite of a drop in meat production. This contrasted with the decision of the Polish government to reduce meat exports, even though production increased, in an effort to satisfy domestic demand. Bulgaria and Rumania expanded exports of beef to Western Europe. Eastern Europe's exports of eggs and butter were down, primarily because of lower demand in Western Europe.

Food Situation in FY 1967

9. The food situation in Eastern Europe during FY 1967 improved slightly. The most notable improvements in availability compared with a year ago have been in green vegetables, potatoes, citrus fruits and, to a lesser extent, dairy products. Retail prices have been lower for vegetables, sugar, and animal fats, partly offsetting higher prices for meat and meat products. Although the per capita availability of meat went up in Poland and East Germany, demand still remained unsatisfied. In Czechoslovakia and Hungary, supplies of meat, especially pork, dropped slightly, and in

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Rumania and Bulgaria there was no improvement. Good breadgrain harvests in most countries and imports of wheat have assured adequate bread supplies in all countries until the next harvest. Because of two successive record harvests of wheat in Bulgaria and Rumania, their carryover stock for this grain as of 1 July 1967 may be the best in several years.

10. The average East European's consumption of food, in terms of calories, has been adequate and stable for several years, but improvements in the quality and variety of the diet have fallen short of expectation in most countries. More industrial workers with higher incomes have been demanding better foods, especially animal products. The regimes, unable to satisfy this demand, have on several occasions raised retail prices for meat and meat products and raised farm prices for animal products in order to encourage production. For example, in October 1966, Czechoslovakia raised retail prices for meats an average of 10 percent, but the results of these increases have not fully satisfied either the consumer or the producer in Eastern Europe.

11. The governments of Eastern Europe have included in their five-year plans (1966-70) larger investments, new management techniques, and reorganization measures that are needed to modernize the food industry and marketing organizations. They hope that these efforts will result in a greater quantity and variety of processed foods, lower costs, fewer losses in handling raw materials, and increased capacity to process food. Failure to modernize and increase the capacity of the food industry has in the past caused substantial losses of raw materials and limited the ability of the industry to use effectively increased quantities of farm products. For example, in 1966, dairy industries in Poland and Czechoslovakia were unable to process all of the milk offered by farmers, with the result that milk spoiled and above normal amounts were fed to livestock. Fruits and vegetables also spoil in

~~CONFIDENTIAL~~

years of high production, and workers are forced to pay high prices during the off-season. Improved efficiency and higher output in the processing and marketing of food, as well as increases in agricultural production, are essential in order to reduce the share of the average worker's income spent on food -- currently higher than in countries of Western Europe at a similar stage of economic development -- and to satisfy his demand for better quality.

Trade in Grain, FY 1967 and Outlook for FY 1968

12. Eastern Europe imported about 6.8 million tons of grain during FY 1967, including an estimated 4.7 million tons of wheat (see Table 4). Thus, total grain imports declined for the second successive year from the record of FY 1965 and about equaled the annual average for 1960-64. The drop reflected improved breadgrain production in Poland, Hungary, and Bulgaria, the latter two of which attained self-sufficiency in wheat in both the past two years. In addition, Bulgaria joined Rumania in FY 1967, for the first time in several years, as a net exporter of grain (mostly wheat). Rumania had a bumper grain crop and has a total of about 1.5 million tons for export or to build up stocks. Rumania, like Yugoslavia, is having difficulty in selling its 1966 corn crop in Western Europe because of the sharp competition in that market.

13. In FY 1967 the Soviet Union replaced the Free World for the first time since FY 1963 as the major source of Eastern Europe's grain imports. The USSR supplied an estimated 3.5 million tons of grain, including some low-grade wheat for livestock feed to be delivered from France. Poland, the main beneficiary of increased grain exports from the USSR to Eastern Europe, received about 765,000 tons more than last year, enabling it to reduce wheat purchased with hard currency. Because about 80 percent of the grain imported from the USSR was wheat, Eastern

~~CONFIDENTIAL~~

Europe's demand for wheat from the Free World in FY 1967 dropped sharply -- by about 40 percent. Imports of feedgrain from the Free World, however, dropped less than 10 percent.

14. Sales of grain by the United States to Eastern Europe during FY 1967, consisting of 85 to 90 percent feedgrain, exceeded slightly the 1,034 million tons shipped in FY 1966. The United States now accounts for about one-third of Eastern Europe's grain purchases from the Free World -- up from 22 percent in 1966. Although Rumania and Yugoslavia have both experienced difficulty in selling their corn in the European market, there is no indication that they have offered this grain to other countries of Eastern Europe.

15. It is estimated that Eastern Europe's demand for imported grain in FY 1968 will be about 6.8 million tons, the same as last year. This estimate is based on the very good prospects prevailing as of mid-July for the 1967 breadgrain harvest throughout Eastern Europe. The Free World's share of the total amount imported may increase at the expense of the Soviet Union. Following a probably smaller harvest than in 1966 and a possible increase in commitments to the Middle East, the USSR is unlikely to export more grain to Czechoslovakia and East Germany than last year, and Soviet exports to Poland probably will decline.

16. The demand for feedgrain and other high protein foods from the Free World is expected to remain strong as the countries of Eastern Europe expand their livestock industries. Efforts by most of the countries to raise production of feedgrains during the past few years have not been particularly successful, whereas the demand for concentrated feeds has increased in East Germany, Czechoslovakia, Poland, and Hungary. Although Bulgaria, Poland, Czechoslovakia, and Hungary have recently renewed or given indications of extending their multi-year wheat agreements

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

with Canada to run through 1970, exports of wheat from the West are not expected to increase during the next several years.

Developments in Agricultural Policy

17. There were no major changes in agricultural policy during the past twelve months, but preparations were underway for implementing previously announced reforms* that will decentralize management and increase incentives. In most countries, the reforms for agriculture are less extensive than those for industry and are being introduced more slowly. Government officials are reluctant to relinquish their control over food production unless they are assured that decentralization of farm management and relaxation of price controls will not have serious short-run effects on the output and price of food.

18. Except for Albania, the various regimes are increasingly using incentives rather than administrative means to guide agricultural production. All the regimes hope to achieve higher levels of output by a more rational use of resources and a more intensive application of advanced farming techniques. Albania alone continues to rely on tight central control. The collectivization of private farms in the mountainous areas of that country was hastily completed early in 1967, and a campaign was launched to get collective farmers to give up, voluntarily, their household plots. These, as well as other measures, appear to have been influenced by Peking.

* See CIA/RR EM 66-30, Eastern European Agricultural Developments, 1965-66, July 1966. CONFIDENTIAL.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

19. Hungary and Czechoslovakia, by way of preparing for the economic reforms to be introduced on 1 January 1968, have merged into one ministry their ministries dealing with the production, marketing, and processing of food. This move is apparently an effort to consolidate lines of authority, to replace some politicians with technocrats, and to provide for better coordination and efficiency in the production, marketing, and processing of agricultural products. The introduction of collective farm unions or measures to encourage inter-farm cooperation in Bulgaria, East Germany, Hungary, and Rumania are intended to increase specialization, to encourage more rational use of inputs, and to improve marketing techniques.

20. In support of policies designed to reduce and eventually eliminate government subsidies to collective and state farms, several countries increased procurement prices for some farm commodities -- including grain and livestock -- during 1966 and 1967. Higher prices are also being paid for better quality and for more timely delivery of farm produce. In addition, the bonus system, which provides higher prices for deliveries in excess of plan or above the previous year, was introduced in Bulgaria for livestock in 1967 and was expanded in East Germany to include crops. East Germany's system of bonuses, introduced in 1963, was made more complex by calculating deliveries of crops as well as of livestock on a grain-equivalent basis and by paying bonuses only if the collective farm achieved a predetermined minimum rate of growth in the fund for reinvestment in the collective. The latter change was made to encourage a higher level of investment and increased productivity. In 1967, the Poles chose to encourage grain production by reducing the cost of industrial inputs rather than by raising the contract price for grain as they did in 1965. Farmers signing grain contracts for 1967 were entitled to purchase fertilizers and mixed feeds at reduced prices and were also offered land tax concessions. Some countries which raised farm prices also raised the cost of services and industrial inputs to agriculture in order to reduce government subsidies.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

21. The problem of attracting or retaining young skilled workers in agriculture is receiving increased attention. Most of the countries of Eastern Europe have stepped up their efforts during the past few years to close the gap in income and social benefits between farmers and industrial workers. Minimum guaranteed wages for collective farmers are being introduced or encouraged, and managerial and professional personnel on state farms are receiving salary increases, as well as bonuses for achieving above-plan profits. New pension systems and health benefits for collective farm members in Hungary and Rumania went into effect on 1 January 1967. Although pension plans may successfully keep older farmers from migrating to the cities, the gap in incomes and other benefits between the farm and urban workers is still too large to attract youth to agriculture.

Production Plans and Prospects for 1967

22. Planned changes in gross agricultural production for 1967 range from a 2.3-percent decline for Poland to unrealistically high increases of 5.8 percent for Rumania and 12 percent for Albania. The planned rates of growth are generally in line with those needed to meet 1970 goals. Unlike the case in 1966, livestock production is scheduled to increase more than the production of crops, except in East Germany and Albania. This shift is realistic in view of the outstanding production of crops last year, which on the one hand will provide improved supplies of food and on the other hand make further increases more difficult. Most countries plan to increase the number of beef cattle and lean-type hogs and to raise the productivity of all livestock. In addition, most countries expect to have small gains in the output of red meat relative to gains in other livestock products, because they plan to rebuild and upgrade the quality of their herds, especially hogs in the southern countries. Rumania, Bulgaria, and Albania have planned for unrealistically high increases in grain production.

~~CONFIDENTIAL~~

23. In line with five-year plan directives, agricultural investment and inputs from outside the agricultural sector are to increase in 1967. State investments are to go largely into land improvement schemes and the support of state farms, whereas collective farms are to increase the share of their income going to agricultural machinery and farm buildings. Plans call for rather substantial increases in tractors, commercial feeds, chemical fertilizers, and other chemicals, with the largest increase in fertilizer set by Hungary and Rumania. In most countries, grain and forage crops have been given priority for the increased allocations of fertilizer. The sharp gains planned in the output of high protein feed mixes are intended to stretch grain supplies and to improve livestock productivity on state and collective farms.

24. Prospects for achieving the 1967 goals are more favorable for livestock production than for crops. Livestock will benefit from the carry-over of concentrated feeds and forage from the record 1966 harvests, favorable procurement prices for most livestock products, and good spring pastures. Crop prospects as of mid-July were above average for winter grains and spring planted crops, but they were not better than in 1966. The southern countries have more fertilizer this year, but less favorable soil moisture conditions, and it will be extremely difficult for them to exceed the high yields for summer crops of 1966. Nevertheless, current prospects are for another above-average agricultural year for Eastern Europe as a whole, including the production of grain.

Table 1

Eastern Europe: Indexes of Net Agricultural Production a/
Total and Per Capita
1960-66

1957-59 = 100

Country	1960	1961	1962	1963	1964	1965	1966
							Preliminary
Total							
Bulgaria	107	106	114	117	129	127	146
Czechoslovakia	106	106	102	102	107	104	114
East Germany	108	98	91	102	102	109	111
Hungary	104	103	99	107	113	107	110
Poland	107	113	107	105	112	114	118
Rumania	107	116	108	109	117	125	135
Eastern Europe	107	108	103	106	112	114	120
Per Capita							
Bulgaria	105	104	110	113	123	121	137
Czechoslovakia	105	105	99	99	102	99	107
East Germany	108	99	92	103	103	109	110
Hungary	103	101	97	105	110	104	107
Poland	104	109	101	99	104	105	106
Rumania	104	112	104	104	111	117	126
Eastern Europe	105	106	100	102	107	108	113

a. Excluding Albania. The indexes are based on the value of crop production less feed (including imported grain), seed, and waste and on the value of livestock products, including changes in the number of livestock. West European regional price weights for 1952-56 of the Food and Agriculture Organization and the Organization for European Economic Cooperation were used to compute the indexes.

Table 2

Eastern Europe: Production of Selected Crops
1959-63 Annual Average and 1964, 1965, and 1966 (Preliminary)

Commodity and Years	Million Metric Tons							
	Albania	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania	Total
Total grain a/								
1959-63 annual average	0.28	3.86	5.65	5.20	6.62	14.07	8.95	44.63
1964	0.32	4.43	5.26	5.42	6.70	13.45	9.62	45.20
1965	0.32	4.55	5.23	5.99	7.26	15.35	10.59	49.29
1966 preliminary	0.37	5.69	5.98	5.37	7.32	15.20	12.11	52.04
Breadgrain b/								
1959-63 annual average	0.10	1.95	2.58	2.91	2.13	9.81	3.96	23.44
1964	0.13	1.96	2.70	2.92	2.32	9.54	3.92	23.49
1965	0.10	2.68	2.81	3.34	2.63	11.12	5.41	28.09
1966 preliminary	0.14	2.90	2.97	3.10	2.43	10.86	5.17	27.57
Coarse grain c/								
1959-63 annual average	0.18	1.91	3.07	2.29	4.49	4.26	4.99	21.19
1964	0.19	2.47	2.56	2.50	4.38	3.91	5.70	21.71
1965	0.22	1.87	2.42	2.65	4.63	4.23	5.18	21.20
1966 preliminary	0.23	2.79	3.01	2.27	4.89	4.34	6.94	24.47
Potatoes								
1959-63 annual average	0.02	0.42	5.65	11.55	2.11	38.41	2.81	60.97
1964	0.03	0.50	7.66	11.54	1.65	45.52	2.62	69.52
1965	0.02	0.28	3.68	11.57	1.48	40.92	2.20	60.15
1966 preliminary	0.10	0.42	5.70	12.18	2.43	44.26	3.35	68.44
Sugar beets								
1959-63 annual average	0.09	1.36	6.81	5.47	2.90	9.62	2.85	29.10
1964	0.13	2.10	7.47	6.00	3.55	12.55	3.67	35.47
1965	0.09	1.39	5.66	5.80	3.45	12.31	3.28	31.98
1966 preliminary	0.11	2.42	7.40	6.35	3.57	13.62	4.37	37.84

Table 2
 Eastern Europe: Production of Selected Crops
 1959-63 Annual Average and 1964, 1965, and 1966 (Preliminary)
 (Continued)

Commodity and Years	Million Metric Tons							
	<u>Albania</u>	<u>Bulgaria</u>	<u>Czecho- slovakia</u>	<u>East Germany</u>	<u>Hungary</u>	<u>Poland</u>	<u>Rumania</u>	<u>Total</u>
Oilseeds d/ 1959-63 annual average	0.01	0.32	0.06	0.16	0.11	0.22	0.50	1.38
1964	0.01	0.35	0.05	0.17	0.11	0.27	0.52	1.48
1965	0.01	0.36	0.07	0.19	0.08	0.45	0.56	1.72
1966 preliminary	0.01	0.42	0.08	0.16	0.10	0.41	0.67	1.85

- a. Including wheat, rye, barley, oats, corn, and miscellaneous grain; excluding rice.
 b. Wheat and rye.
 c. Barley, oats, corn, and miscellaneous grain.
 d. For Bulgaria, Hungary, and Rumania, sunflower seed; all others rapeseed.

Table 3

Eastern Europe: Number of Livestock and Livestock Products
1959-63 Annual Average and 1964, 1965, and 1966 (Preliminary)

Category and Years	Albania	Bulgaria	Czecho- slovakia	East Germany	Hungary	Poland	Rumania	Total
	Thousand Head a/							
Cattle								
1959-63 annual average b/	413	1,469	4,439	4,562	1,941	9,129	4,578	26,531
1964	427	1,474	4,436	4,682	1,945	9,940	4,756	27,660
1965	420	1,450	4,389	4,762	1,919	9,947	4,935	27,822
1966 preliminary	420	1,385	4,462	4,918	1,968	10,387	5,198	28,738
Cows								
1959-63 annual average b/	146	565	2,042	2,139	820	5,979	2,104	13,795
1964	157	576	1,959	2,132	808	6,013	1,901	13,546
1965	157	581	1,948	2,169	782	5,920	2,008	13,565
1966 preliminary	150	581	1,952	2,195	772	6,010	2,127	13,787
Hogs								
1959-63 annual average b/	120	2,259	5,857	8,559	6,430	12,505	4,488	40,218
1964	147	2,607	6,139	8,759	7,039	12,918	6,034	43,643
1965	140	2,408	5,544	8,878	6,590	13,779	5,365	42,704
1966 preliminary	145	2,276	5,305	9,312	6,123	14,251	5,400	42,812
Sheep								
1959-63 annual average b/	1,581	9,736	605	1,943	2,290	3,448	11,910	31,513
1964	1,682	10,440	568	1,972	2,600	3,022	12,734	33,018
1965	1,641	10,312	614	1,963	2,460	3,061	13,125	33,176
1966 preliminary	1,660	9,992	670	1,928	2,280	3,164	14,109	33,803
Red Meat c/								
1959-63 annual average	14	202	496	706	446	1,206	410	3,480
1964	14	231	549	806	443	1,226	430	3,699
1965	14	278	599	861	466	1,334	462	4,014
1966 preliminary	14	288	586	898	457	1,383	471	4,097

Table 3

Eastern Europe: Number of Livestock and Livestock Products
1959-63 Annual Average and 1964, 1965, and 1966 (Preliminary)
(Continued)

Category and Years	East					Total		
	Albania	Bulgaria	Czecho- slovakia	Germany	Hungary		Poland	Rumania
Cow's Milk								
1959-63 annual average	44	760	3,749	5,590	1,891	12,609	2,328	26,971
1964	45	926	3,764	5,750	1,856	12,592	2,116	27,049
1965	45	1,000	3,924	6,371	1,762	13,330	2,302	28,734
1966 preliminary	44	1,090	4,155	6,560	1,794	13,900	2,415	29,958

Thousand Metric Tons

a. Inventory dates are as of the end of the year, except for that of Poland, which is as of the end of June.

b. Data for Hungary are the 1960-63 annual average.

c. Trimmed carcass weight; including beef, veal, mutton, pork and, if significant, goat and horse meat.

Table 4

Eastern Europe: Estimated Gross Imports of Grain a/
Annual Average Fiscal Years b/ 1960-64 and Fiscal Years 1964-67

Source and Destination	Thousand Metric Tons									
	FY 1960-64		FY 1964		FY 1965		FY 1966		FY 1967	
	Annual Average	Wheat	Total	Wheat	Total	Wheat	Total	Wheat	Total	Preliminary a/
From the Free World										
Albania d/	77	77	140	120	150	127	127	150	127	110
Bulgaria	116	48	390	184	312	205	205	270	110	185
Czechoslovakia	197	159	504	333	781	1,197	1,197	720	457	400
East Germany	150	92	443	187	877	934	934	804	654	365
Hungary	167	122	518	323	275	229	229	185	109	50
Poland	1,543	1,158	2,308	1,966	2,416	1,411	1,946	1,411	1,555	675
Total	2,250	1,656	4,303	3,113	4,811	3,540	4,638	3,540	3,012	1,785
From the USSR e/										
Albania	42	42	0	0	0	0	0	0	0	0
Bulgaria	110	107	94	94	117	113	113	0	0	0
Czechoslovakia	1,500	1,087	1,603	983	1,386	554	1,046	554	848	1,000
East Germany	1,876	1,408	1,488	1,265	1,250	600	1,200	600	914	900
Hungary	232	129	4	2	378	0	103	0	0	0
Poland	652	386	115	50	445	0	235	0	135	1,000
Total	4,412	3,152	3,304	2,394	3,576	1,154	2,697	1,154	1,897	2,900

CONFIDENTIAL

Table 4
 Eastern Europe: Estimated Gross Imports of Grain a/
 Annual Average Fiscal Years b/ 1960-64 and Fiscal Years 1964-67
 (Continued)

Source and Destination	Thousand Metric Tons									
	FY 1960-64		FY 1964		FY 1965		FY 1966		FY 1967	
	Total	Wheat	Total	Wheat	Total	Wheat	Total	Wheat	Total	Preliminary g/
From all sources	119	119	140	120	150	150	127	127	120	110
Albania	226	155	484	278	429	270	318	110	190	185
Bulgaria	1,697	1,246	2,107	1,316	2,167	1,274	2,243	1,305	2,100	1,400
Czechoslovakia	2,026	1,500	1,931	1,452	2,127	1,404	2,134	1,568	2,000	1,265
East Germany	399	251	522	325	653	185	332	109	150	50
Hungary	2,195	1,544	2,423	2,016	2,861	1,411	2,181	1,690	2,200	1,675
Poland										
Total	6,662	4,815	7,607	5,507	8,387	4,694	7,335	4,902	6,760	4,685

- a. Excluding rice.
 b. The first of July of the previous year through 30 June of the stated year.
 c. Based on known shipments and contracts as of mid-July 1967.
 d. Purchased on Chinese Communist account after 1961.
 e. Including Soviet purchases of French and Canadian wheat for shipment to Eastern Europe. The data exclude trade with Rumania.