

The number of workers per 100 hectares of farm acreage was 60% higher than in the Federal Republic—despite, or because of, large-scale production methods. “If we compare only the larger farms with more than 50 hectares of arable land in West German agriculture, which manage with 3.2 workers, then the number attained in the G.D.R. (12.3) is not even understandable if we consider the social conditions in G.D.R. agriculture (regulated work and vacation times),” according to a 1987 report published by the Federal Ministry for Domestic German Relations in Bonn. Additionally, tens of thousands of “voluntary helpers” from industrial enterprises, schools, and the National Peoples’ Army had to be provided during cultivation and harvest campaigns. In total, the number of workers in industrialized agriculture in the G.D.R. was four times as high as on the family farms in the Federal Republic.

Additionally, there were very high investments. The use of insecticides (active ingredients) is 40% higher than in the Federal Republic, and the use of fertilizers “was in no proportion to the results gained,” according to the same report. In animal production, backlogs could only be compensated for by dramatically increasing the introduction of feed grain and protein feed. High animal and harvest losses were another feature of this system. The oversized machines could not be used on some cultivated parcels and required large spaces in which to turn, resulting in unused and neglected land.

The use of capital goods and subsidies increased steadily. In 1980, one thousand marks from the state budget had to be contributed for each hectare of arable land. Productivity in the G.D.R. was one-third lower than in the Federal Republic, which is even more shocking considering that productivity before 1939 was significantly higher than in the present federal region and that there is almost twice as much agricultural land in the G.D.R. per capita.

In 1978, it was obvious even to the SED that the socialist system of farm production, which was consuming more and more energy, had completely failed. In May 1980, the SED changed agricultural policy. In the price reform of Jan. 1, 1984, subsidies for investments were drastically reduced, and producer prices sharply increased in order to pressure collectives to be more economical.

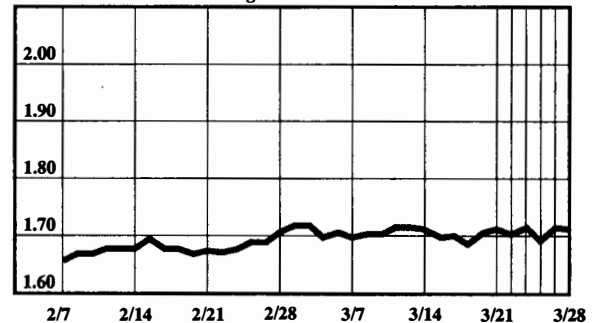
The separation between vegetable and animal production was recognized as the worst mistake; but it was not abandoned. Cooperative councils, which mediated between the two branches, were merely supposed to meet more often and cooperation more closely arranged. The work brigades were supposed to be employed for many jobs as close as possible to their residences. Private farms and small gardens were now tolerated.

With these measures, the worst could be avoided. Yet the attempt to transfer industrialized production methods to agriculture must be considered as a complete failure because the simplest agricultural principles were ignored.

Currency Rates

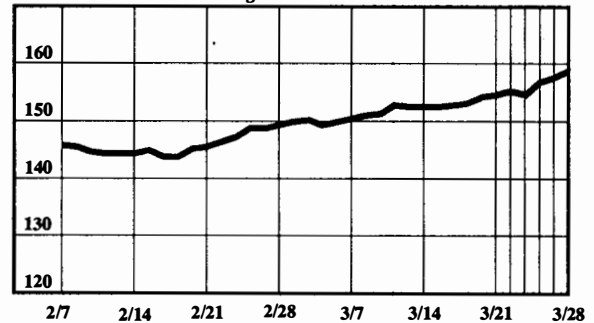
The dollar in deutschemarks

New York late afternoon fixing



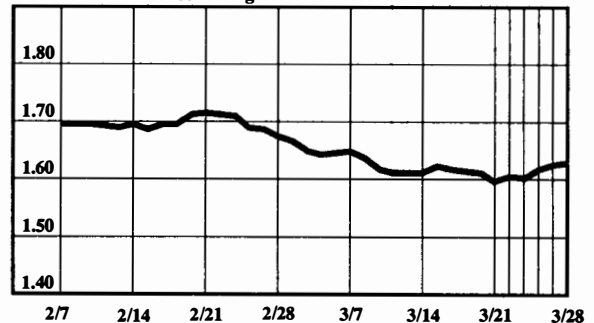
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

