SECRET

se 2006/12/27 : CIA-RDP79-00927A004200010004-3

6 September 1963

OCI No. 0296/63C
Copy No. 70

SPECIAL REPORT

MEDIOCRE CROP PROSPECTS IN THE COMMUNIST WORLD

CENTRAL INTELLIGENCE AGENCY
OFFICE OF RESEARCH AND REPORTS

MORI/CDF

NO FOREIGN DISSEM

SECRET

GROUP I Excluded from automatic downgrading and declassification

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

THIS MATERIAL CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE LAWS, TITLE 18, USC, SECTIONS 793 AND 794, THE TRANSMISSION OR REVELATION OF WHICH IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

DISSEMINATION CONTROLS

This document MUST NOT BE RELEASED TO FOREIGN GOVERNMENTS. If marked with specific dissemination controls in accordance with the provisions of DCID 1/7, the document must be handled within the framework of the limitation so imposed.

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

6 September 1963

MEDIOCRE CROP PROSPECTS IN THE COMMUNIST WORLD

Current prospects are that the 1963 harvest in the Communist world will be little, if any, better than the mediocre one of last year. In the USSR this year's prospective disappointing grain crop--the fifth in a row--may be even smaller than last year's. In Eastern Europe the harvest of small grains is unlikely to be larger than in 1962, but prospects vary considerably among the various countries. In Communist China a favorable crop of late grains is needed to offset the poor early grain harvest; as of early August prospects for the intermediate and late rice crops appeared only fair, but the outlook for miscellaneous grains is somewhat better. Crop prospects are favorable in North Korea, but are the poorest in the last several years in North Vietnam. In Cuba rains appear to have broken the two-year dry spell and, with additional new cane areas ready for harvest in 1964, the sugar crop could be about 10 percent higher than the very poor crop harvested in 1963.

USSR

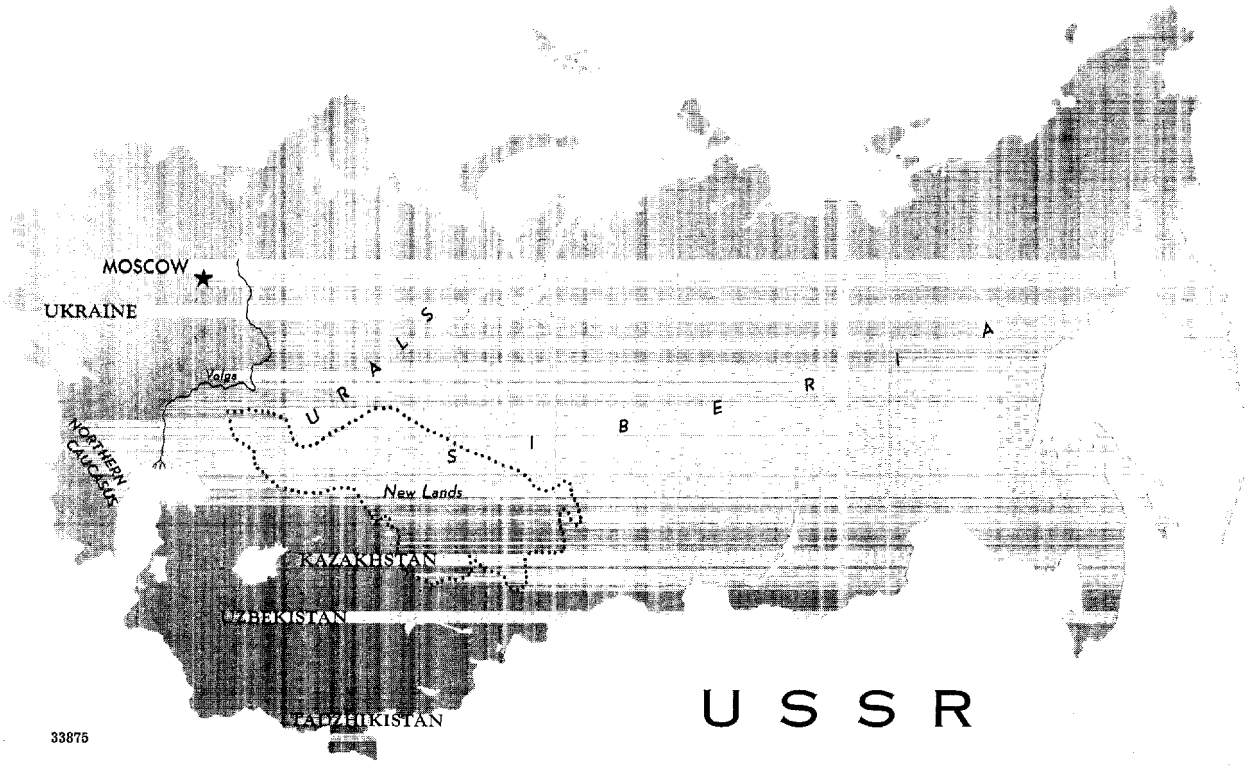
A severe winter and a late spring in the European USSR, coupled with unfavorable weather during much of the current growing season in some of the more important agricultural areas, have had adverse effects on the 1963 harvest. An increase of 5 million hectares in the area of fall-sown grains (for harvest in 1963) was negated by unusually dry conditions last fall which prevented seed germination, and by winterkill, especially in the northeastern Ukraine and adjacent areas.

In the Ukraine, 16 percent of the winter crop was destroyed and yields were reduced. Drought in the most important New Lands areas during much of the growing season will probably reduce the grain crop in northern Kazakhstan and western Siberia below the poor harvest in 1962. On the other hand a good crop is being harvested in the northern Caucasus, the Urals, and the middle Volga regions.

In general, prospects for spring-sown crops other than grain are only fair. As a result of the late spring in the European USSR, the sowing of sugar beets and sunflowers was later than normal in important areas. Hot, dry weather in May and July adversely affected these crops and yields may be below those of last year.

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3



CLASSIFIED MATERIAL ON REVERSE OF PAGE

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Although the planting of cotton was completed by mid-May, heavy rains in parts of Uzbekistan and Tadzhikistan, the two most important cotton-growing republics, destroyed some early plantings, necessitating some replanting. The crop is maturing normally and, with increased attention inspired by the incentive of high procurement prices this year, the 1963 crop should be slightly greater than the relatively poor one in 1962.

The area sown to potatoes and vegetables is somewhat smaller, due in part to a lack of seed, but, barring unfavorable weather during the remainder of the season, production of these crops, especially potatoes, should increase over the low level of 1962.

Despite greater numbers of livestock, prospects for an increase in output of livestock products are not favorable because of a potential shortage of feed. Milk yields during the first six months of 1963 declined compared with the same period in 1962, and the simultaneous increase in production of meat was due primarily to distress slaughtering necessitated by lack of feed. As of 1 July, procurement of hay and silage was significantly behind the 1962 pace. Weather conditions during the remainder of the growing season will be very important in determining the amount of feedstuffs, especially corn silage, which will be harvested.

Eastern Europe

In the East European countries only Yugoslavia is expected to have a larger harvest of small grains than in 1962. In Poland, Rumania, and Bulgaria no improvement over the mediocre 1962 harvest is likely. The small-grain harvests in Albania, Czechoslovakia, East Germany, and Hungary will probably be below the level in 1962 when a good crop was produced in Czechoslovakia and about average crops in the other three countries.

Grain crops in nearly all of the satellite countries were hurt by a dry fall, a severe winter, and an early summer drought. A satisfactory recovery from the heavy winter losses to fall-sown grains was reportedly achieved in Bulgaria, Poland, Rumania, and Yugoslavia, but less success was achieved in Czechoslovakia, East Germany, Hungary, and Albania. A drought in the early summer damaged small-grain prospects in many of the satellites, and continued dry weather through July in Czechoslovakia, East Germany, Hungary, and Poland reduced yield prospects for late-harvested row crops and summer fodder crops.

Production of vegetables in Eastern Europe will probably exceed that of last year, but the outlook for fruit is less optimistic. Early-sown vegetables developed favorably and the market supply through July improved in Bulgaria, East Germany,

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Hungary, Poland, and Rumania. Some deterioration in the market supplies could occur later in the year, especially in those countries where the late-sown vegetable crops suffered from drought. A satisfactory fruit crop is expected in Bulgaria, Czechoslovakia, East Germany, and Hungary, but a poor crop is expected in Rumania, and the Polish crop is likely to be little, if any, better than last year's poor harvest.

The decline in livestock numbers noted throughout the satellite countries last year has continued through 1963. Meatless days in public eating places were introduced in Czechoslovakia in early July, and rationing of meat continues in East Germany. There also have been reports of irregular market supplies of meat and livestock products in Hungary and Yugoslavia. There has been an increase in the number of reports of consumer complaints over high food costs in Poland and Rumania.

Livestock products will probably be scarcer than last year, particularly in view of the low feed reserves, the emphasis on building up herds, and the reluctance to increase food and feed imports.

Communist China

China's early grain harvest, consisting primarily of winter wheat and early rice, is believed to have been less than the poor harvest of last year. Although there may have been some increase in the production of winter wheat, it was not sufficient to offset the reduced harvest of early rice. The production of winter sweet potatoes, an important food crop in South China, was reduced by a period of abnormally cold weather in January. Attempts to expand the acreage of fall-harvested crops in order to recoup the losses sustained in the early harvest have been only partially successful.

The acreage of spring wheat is believed to be somewhat less than in 1962 because of abnormally dry conditions at planting time. Prospects for the crop are only fair, except in southern Heilungkiang, an important spring wheat area, where rainfall has been above normal since March, and relatively good yields may be expected.

In North China, the most important area for miscellaneous grains, crop conditions are believed to be generally good because of above-normal rainfall throughout the growing season. However, flooding caused some crop damage in southern Honan. In addition, there was unprecedented heavy rainfall in early August over much of Hopeh and, although the extent of flooding is not known at this time, extensive crop damage has been

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

reported. Drought and floods reportedly have damaged the crops in many areas of Northeast China, with the exception of southern Heilungkiang where the outlook for miscellaneous grains is good.

In the areas south of the Yangtze, where most of the intermediate and late rice is grown, the weather patterns have varied from unseasonal drought to above normal rainfall. Rainfall was excessive over much of the northern portion of Central China and most of East China in April, May, and July. The resulting difficulties in transplanting may have caused a reduction in acreage. There also were reports of seed rot and insect damage in these areas. In the important rice area of Szechwan the outlook is moderately good, but in other areas in Southwest and South China rice

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

prospects are less favorable. The drought which was so detrimental to the early rice crop in most of Yunnan, Kweichow, Kwangsi, and the southern part of Hunan persisted through July. Conditions remained dry in Kwangtung through May, and although rainfall was near normal over the southern and eastern areas of the province in June and July there may continue to be a shortage of water for irrigation of the late rice crop in some areas.

The output of vegetables, fruit, poultry and pork probably was not as seriously affected by weather conditions as was the grain crop. Increased supplies of these foods in the free markets throughout the country are a reflection of the intensive care given to the private plots by the peasants. In spite of the optimism shown in the Chinese press over the wider selection of such quality foods, the food problem is far from solved. The grain ration, although somewhat improved over the low 1960-61 level, still remains far short of China's requirements.

A slight increase in cotton output in 1963 may result from the expansion in cotton acreage, which is estimated to be 10 to 15 percent above the 1962 level. Cotton yields, however, will probably be no better than the poor yields of 1962 because of unseasonal cold, waterlogging, and insect damage in many areas.

North Korea and North Vietnam

In the important west coast regions of North Korea precipitation has been above normal since spring, and crop prospects are favorable. In North Vietnam, on the other hand, crop prospects are the poorest in several years. Drought conditions, which began in late 1962 and continued into 1963, have severely reduced the May rice crop and threatened the October crop. Heavy rains in late July, however, reportedly caused waterlogging in some of the delta provinces.

Cuba

The two-year dry spell, which was partly responsible for the poor sugar crops in 1962 and 1963, appears to have been broken, with abundant rainfall during the present cane-growing season. In addition, for the first time in several years, large areas of cane were planted in 1962, and this will be ready for harvesting in 1964. Production of beans, corn, rice, coffee, and tobacco should be close to last year's levels, while cotton production may increase substantially. Cattle numbers are likely to increase, primarily because of prohibitions on slaughtering and the increased availability of feed. (CONFIDENTIAL)

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3

Approved For Release 2006/12/27 : CIA-RDP79-00927A004200010004-3