

CENTRAL INTELLIGENCE AGENCY

## REPORT

25X1

CD NO.

DATE DISTR. 2 June 1955

**NO. OF PAGES** 2

**NO. OF ENCLS.**  
**(LISTED BELOW)**

**SUPPLEMENT TO  
REPORT NO.**

25X1

25X1

THIS IS UNEVALUATED INFORMATION

25X1

1. The state of several LPGs (Landwirtschaftliche Produktions-Genossenschaften) is causing serious worries to the East German government. The primary deficiency is found in their low productivity. Whatever the actual reasons for this, the Ministry of Agriculture and Forestry and the Soviet advisors attached to it contemplate remedying the situation by the following steps: a) changing the taxation of the LPGs, b) introducing wage norms, c) introducing stricter accountability in financial and political matters.
2. The manpower of the LPGs ~~is~~ is composed of two groups: those farmers who joined the LPGs as ~~actual owners of land~~ (Leistungelle) and ~~tenants without land~~. ~~These LPGs do not see any tangible advantages to remaining in the LPGs. There is a tendency among the former tenants, who have nothing to lose by leaving the LPGs, to look for work in industrial enterprises. The former landowners, who are not really permitted to leave the LPGs (and who do not want to run the risk of losing their status), are faced with a shortage of manpower and with a poorly organized~~ While, in general, the MTSs seem to be organized fairly well and are sufficiently stocked with the necessary agricultural machinery, they are often unable to cope with the work because of the bottlenecks in the supply of parts for the tractors and other equipment. In several MTSs which have a sufficient number of tractors of Soviet make (the MTSs are supplied with a large number of pieces of Soviet-made machinery), the work is often interrupted because no parts are made available.
3. As in the (VEGs (volkseigene Staatsgueter), the real headache in the LPGs lies in the field of cattle-breeding. The lack of fodder and the recurrence of animal diseases plague the state farms and the LPGs. In one LPG (Klein or Neu-Demin), ~~one~~ disease struck about 300 pigs in late March or early April 1955. To the requests to increase the production of meat, the farmers answer with requests that the Ministry supply more and better fodder and wipe out ~~one~~ diseases. In the VEGs, there is a growing reluctance toward and opposition to the planned wage norms, which, under present conditions, would leave the rural workers disgruntled and with smaller earnings than before.

**CLASSIFICATION**

25X1

STATE	X NAVY	X NSRB		DISTRIBUTION					
ARMY	X AIR	X FBI							

25X1

25X1

4. As of the beginning of April 1955, the problem of wage norms for the VEGs (and possibly for the LPGs) constitutes one of the most serious topics of discussion and apparent disagreements. It seems that the ~~spade~~ work done by the Soviet advisor, Serafim Alekseyevich Kudriavtsev, who has been traveling, inspecting, and introducing the system of wage norms in various VEGs, has not yet led to the final acceptance of this system. The wage norms have not yet been decreed for all state farms. The chief Soviet advisor, Cheriomushkin (fau), is alleged to have criticized Kudriavtsev for not having pressed his point with sufficient energy.
5. In the Ministry for Agriculture and Forestry, there is scepticism about the announcement of the ADN published in the Taegliche Rundschau of 10 April 1955, according to which over 13,000 freight car loads of grain had been delivered to East Germany from the Soviet Union. Nothing has been heard of any substantial deliveries for the civilian sector. The deliveries may have been for the Soviet army or ~~for the German military warehouses.~~

ILLEGIB

S-E-C-R-E-T

25X1

SECRET

25X1