

Ag Economist Says Poland Quickly Becoming Free-Market Country

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WEST CHESTER (Chester Co.) — "Going to Poland in 1990 was like going back to my childhood of 50 years ago. Nothing was different. It was like being able to get in a time capsule and jump back 50 years."

H. Louis Moore, Penn State professor of ag economics, recounted a series of four trips he took during a period of three years to Poland. He visited that country as part of a special training program in ag marketing conducted by the Agency for International Development in cooperation with Penn State and the governments of U.S. and Poland.

What he found — as part of a team to analyze the problems eastern European countries, particularly Poland, have in converting from communism to a free market economy — was that Poland has people willing to work and change, despite a very old infrastructure, old equipment, and old ways of thinking.

But the changes are happening quickly, according to Moore, who spoke at the 1993 Chester County Cooperative Extension annual banquet at the Government Services Center on Wednesday night.

Moore returned to Poland again in February of 1991, to the Rzeszow Province of southern Poland, an "area we thought these folks really had been left out under communism," he said.

He told the group of more than 125 at the banquet that Poland had what they considered "economists" who were no more than accountants. "They had no appreciation for what supply was, or what demand was, or what price is."

The team stayed in Poland till the following April as part of an

intensive training program to bring some Western-style methods of agriculture marketing and management to the former communist country.

"The project has been one of the most successful things that has ever been done in Poland since the breakaway from communism," he said.

Poland has a population of 38 million people. About 80 percent of the farms, even during communist rule, were in private hands, but the average farm size is only about seven acres. The small-scale farms raise only enough to support a few head of livestock, but farmers generate a great deal of vegetables, particularly potatoes (Poland has the world's third largest potato crop). On the small farms, equipment used is mostly horse-drawn. Only the state farms (numbering about 4,000) and collective farms (about 2,000) have any kind of modern mechanized equipment, according to Moore. As a result, the economy is very labor-intensive. Average salary is about \$150-\$200 a month (in U.S. dollars).

Moore said, however, the people grow good crops in Poland. The teams were impressed with the crops, despite a lack of mechanization.

The urban areas, except for the tourist centers like Warsaw (the largest at 2.8 million people), are polluted and dismal — carryovers from communist rule. Under that rule, there was little if any incentive to improve. Conditions remained the same for decades, until the advent of satellite TV, which Moore believes helped topple communism.

In the cities, there are TV antennas everywhere. "We saw places where the TV antennas were so thick that the pigeons couldn't fly among," said Moore.



Chester County Cooperative Extension honored members for years of service at their banquet Wednesday night. From left, Betty Lou Lusky, 10 years; Toni Stuetz; Pat Taws, five years; Becky Scotland; Laurie Sandow; Trudy Dougherty, 20 years; and Alan W. Strock, five years.

"Under communism, there was no incentive for anyone to do a better job," he said. "In fact, if you went into a store, you... were considered an inconvenience rather than something that was going to make you money, because the people weren't making any more money because you came to buy anything from them."

But pollution was widespread. "They have a major problem with sewage and other kinds of pollution in Poland," he said.

On the streets, all sorts of commodities are now sold, thanks to the conversion to a free-market economy. "As they broke from communism, the first thing that any country gets is bananas. They had no bananas before," said Moore. "Free enterprise starts right on the streets."

Moore said that as poor as the country is, there are "flower markets in every city, almost on every corner, and people stop to buy

flowers to take home with them."

The important thing, according to the ag economist, was the volume of progress he saw from 1990-1993, which he considers "unbelievable." In that short time, nearly the whole country has been transformed to a free market economy.

"It is still going to take a couple of generations, probably, before their living standards become equivalent to what's in western Europe," said Moore. "I think they're going to make it."

The team went to teach at a technical school, and were invited to the students' homes at the end of their stay. "They actually cried when we left," he said. "We'd only been there three weeks, but it was like leaving family. It was a touching experience."

Also at the banquet, Don Cairns, president of the proposed new 4-H

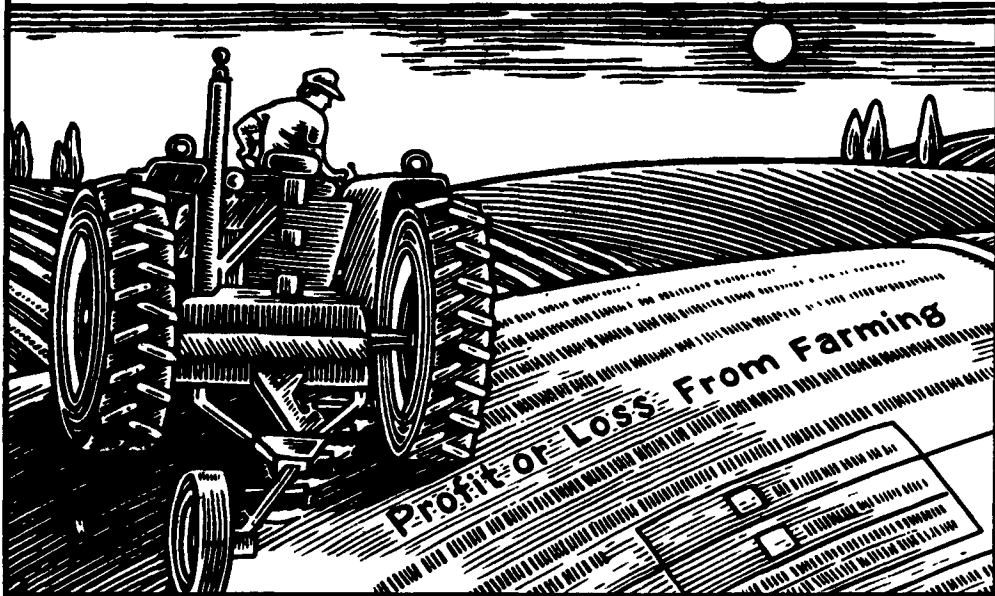
Center, spoke about the contributions received for the center, with cash pledges totaling about \$200,000. That brings the total donated value to more than \$350,000.

However, to make settlement on November 24, the center is shy about \$10,000 and needs more pledges in order to make the center, a "dream of more than 20 years," a reality, according to Cairns.

Also, several extension members were honored for years of service. For five years of service, those honored were Judy Fromm, Alan W. Strock, Pat Taws, and Sarah Wallace. For 10 years of service, honored was Betty Lou Lusky. For 15 years of service, honored was Anna Mae Hughes. For 20 years of service to extension, honored was Trudy Dougherty.

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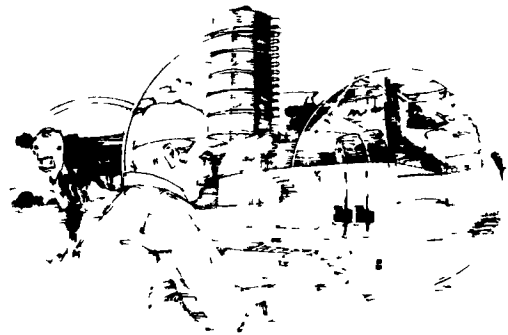
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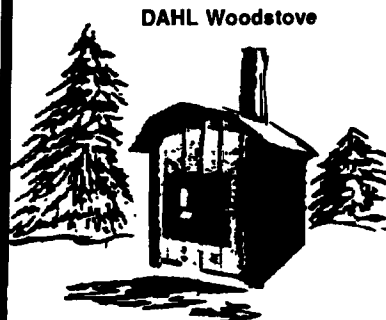
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