

Agricultural Policy in the Federal Republic of Germany

In September 1955 the Parliament of the Federal Republic of Germany passed an Act designed to improve social and economic conditions in agriculture, under which the Government is required to submit an annual report (the Green Report) on the situation in agriculture, accompanied by a plan (the Green Plan) putting forward proposed measures to remedy any shortcomings brought to light by the report. The following study, after briefly summarising the main provisions of the Act, analyses the situation as revealed by the two reports so far published and the measures proposed in the two accompanying plans for the improvement of agriculture in the Federal Republic.

Recent agricultural policies in many industrialised countries have been mainly concerned with closing the gap between incomes and social conditions in certain parts of agriculture, particularly the family farm sector, and those in other branches of the economy—a gap which, in a period of high economic prosperity, has been continuously widening.¹ So far the principal means of achieving this objective have been various schemes of price regulations, import restrictions and producers' subsidies designed to keep agricultural prices "at parity" with those of other commodities.²

Experience has shown that this approach alone cannot solve the problem and that price and trade policies must be supplemented by specific programmes for improving general conditions of production in agriculture, particularly in those farming areas which are handicapped by natural, economic and social adversities, the aim of such programmes being to strengthen the efficiency and competitiveness of agriculture, to improve working and living conditions in agriculture and thus to eliminate, or at least to diminish, the permanent need for government protection. An interesting example of how the task can be approached is provided by the Agricultural Act of 1955 in the Federal Republic of Germany.³

THE BACKGROUND OF THE AGRICULTURAL ACT

By the end of the Second World War agricultural output in Western Germany had dropped to about 60 per cent. of its average pre-war level. Total population at the same time suddenly increased from about

¹ United Nations Economic Commission for Europe and Food and Agriculture Organisation: *European Agriculture—A Statement of Problems* (Geneva, 1954), p. 33; and Organisation for European Economic Co-operation: *Agricultural Policies in Europe and North America* (Paris, 1956), p. 318.

² I.L.O.: *Social Aspects of European Economic Co-operation: Report by a Group of Experts*, Studies and Reports, New Series, No. 46 (Geneva, 1956), p. 78.

³ *Bundesgesetzblatt* (Bonn), Teil I, 1955, Nr. 31, p. 565.

40 million to almost 50 million, due to the influx of refugees from the east. As a result, West German farms then produced only half of the country's food requirements.¹

Agricultural policies in the following years had only one major objective: to raise food production as rapidly and extensively as possible. This was to be achieved by various schemes of producers' subsidies, marketing regulations, statutory price-fixing and, when world trade once again became normal, by import restrictions and protective tariffs. All these measures aimed at stabilising and maintaining agricultural prices and incomes above a minimum level in order to provide strong economic incentives to the farmers and to give them the necessary time to prepare themselves for international competition.²

Farmers' efforts to raise output have been remarkably successful. In the harvest year 1950-51 total food production exceeded the average level in the years 1935-36 to 1938-39 and, despite a growing demand of an ever-increasing and more prosperous population, agriculture has since been able to meet about three-quarters of the annual food requirements of the Federal Republic.

These achievements were mainly due to more intensive farming and to higher inputs. From 1949 to 1956, for example, the number of tractors increased from 90,000 to 513,000, of combines from 150 to 12,750 and of milking machines from 5,600 to 125,000. Sales of nitrogen fertilisers rose from 23.6 kg. per hectare in 1938-39 to 31.7 in 1954-55 and those of potash from 43.4 to 60.2 kg. per hectare.³

Rapid mechanisation, rationalisation and a continuous decline in agricultural manpower improved labour productivity, and farm income and agricultural wages rose accordingly. However, total farm income—which increased from 9.9 billion marks in 1950-51 to almost 13 billion in 1954-55—kept pace neither with the increase in the national income, nor with production costs. As a result the agricultural net product was not sufficient to raise average farm incomes and wages to a level corresponding to that of other occupations. On the contrary income and wage rates in the other sectors of the economy rose much faster than those in agriculture and the spread between the two sectors widened rather than diminished.

It was in this situation that farmers called upon the Government to guarantee them "parity" with the rest of the economy by means of stiffer tariff protection and higher statutory prices. Though the Government recognised that state support was necessary in order to bring agriculture in line with general economic development, it decided not to raise prices.⁴ In its view this would have led to serious pressures on the stability of wages and prices, to a decline in consumption and to unmanageable surpluses, as experienced by other countries. Its decision was also based on the recognition that all-out price support would mainly benefit large-scale commercial farming and achieve compara-

¹ G. THIEDE: "Die Ernährungshilfe für Westdeutschland von 1945/46 bis 1952/53", in *Berichte über Landwirtschaft* (Hamburg), N. F. Band XXXII, Heft 2, 1954, pp. 240, 257 and 262.

² T. SONNEMANN: "Zur Entwicklung der westdeutschen Landwirtschaft seit Kriegsende", *ibid.*, N. F. Band XXXIV, Heft 2, 1956, p. 201.

³ *Bericht über die Lage der Landwirtschaft, 1957*, BR.-Drucks. Nr. 52/57 (Bonn, 1957), p. 13, and *Bericht über die Lage der Landwirtschaft, 1956*, Drucksache 2100, Deutscher Bundestag, 2. Wahlperiode 1953 (Bonn, 1956), p. 41.

⁴ T. SONNEMANN, *op. cit.*, p. 205.

tively little for the vast number of small family farms below 10 hectares, which comprise almost 80 per cent. of the total number of farms in the Federal Republic. Finally, it was realised that another general increase in agricultural prices would have further impaired the competitiveness of West German agriculture and thus its preparedness for entering the proposed European Common Market, which provides for the gradual removal of tariff and other frontier restrictions on agricultural trade.

For these various reasons, the Government of the Federal Republic preferred to leave previous protective policies virtually unchanged and to supplement them by a special programme aimed at reducing production costs. The outcome of this revision in policy approach was the Agricultural Act of 1955.¹

THE MAIN PROVISIONS OF THE ACT

Section 1 states the purpose of the Act as well as the long-term objectives of West German agricultural policy. The main goals are—

(a) to ensure that agriculture takes part in the progressive development of the national economy ;

(b) to maintain the best possible supply of food to the total population ;

(c) to compensate agriculture for economic disadvantages caused by natural handicaps, through measures related to trade, taxation, credit and prices ;

(d) to increase agricultural productivity ; and

(e) to raise the social position of the population engaged in agriculture to the same level as that prevailing in other comparable occupations.

Over-all responsibility for the implementation of the Act lies with the federal Government. According to section 2 of the Act, the Government is obliged to submit to Parliament an annual report on the situation of agriculture (the Green Report). This report is to be based on a thorough analysis of relevant economic and agricultural statistics and of detailed book-keeping accounts from 6,000 to 8,000 agricultural holdings classified according to regions, farming systems and size groups. Only those farms are to be selected for the survey which operate under average conditions of production and which are large enough, if properly managed, to provide full support for the farmer and his family (section 4). In the preparation and presentation of the analysis the Government is to be assisted by an Advisory Council composed of experts in agricultural economics and farm management (section 3).

In addition to the information it must supply under section 2, the Government is also required to state in the Green Report whether it considers that adequate returns have accrued to the farm operator for his management, to the labour of fully employed agricultural workers, and to capital investment. According to section 4 the Government,

¹ For detailed information see Dr. MÜLLER : " Was bringt das Landwirtschaftsgesetz ? ", in *Mitteilungen der Deutschen Landwirtschaftsgesellschaft* (Frankfurt), 70. Jg., Heft 29, 1955, p. 758.

in consultation with the Advisory Council, is to determine what should be regarded as an adequate return to these three factors.

In the Green Report of 1957 the three items were fixed as follows :

(1) Adequate management income for farm operators : 40 marks per hectare per year. The reason for calculating a special remuneration to the farm operator was to make allowance for his managerial activities in addition to his manual work, the rate of this remuneration being based on the difference between wages of agricultural workers and salaries of farm administrators.

(2) Comparable wage rates for farm workers : 4,572 marks per year for male workers, and 2,596 marks per year for female workers. These rates were derived from a special sample survey of annual average gross earnings of 3,000 non-agricultural wage earners (weighted average wages from skilled, semi-skilled and unskilled workers in industry and trade) in 160 communities with up to 5,000 inhabitants. This implies that the average earnings of all non-agricultural workers who live in rural communities were considered comparable with agricultural wages.¹

(3) Adequate interest rates for capital invested in the farm : 3.5 per cent. This uniform rate of interest is the arithmetical mean between a higher rate of interest for livestock, equipment and current operating capital and a lower rate of interest for land and buildings.

These so-called "items of comparison" (*Vergleichswerte*) are to be added to other costs of production, and the total compared with the actual farm earnings of the farms surveyed. The results of this comparison give an indication of the relative economic situation of the different farm groups and systems of farming. If the calculation reveals that agriculture, or parts of it, has not been able to cover total costs of production calculated in the above manner, the Government is required to suggest appropriate measures for improving the situation and to provide the necessary funds for their implementation (sections 5 and 6).

THE MAIN FINDINGS OF THE GREEN REPORT OF 1957

The Green Report of 1957 (the second after the promulgation of the Act) was submitted to and discussed by the German Parliament in February 1957. Because of its very comprehensive and detailed nature, the following summary is confined to presenting the socio-economic and social highlights of this interesting document² :

(1) From 1949 to 1954 permanent family manpower in agriculture decreased from 4,741,000 to 3,950,000. At the same time the number of permanent wage earners declined from 1,128,000 to 830,000 (Green Report, 1956). In the year under review this trend continued. The number of permanent family workers decreased from roughly 3,950,000 in 1954 to 3,590,000 in 1956 (9 per cent.), that of non-family workers from 806,000 in 1954-55 to 778,000 in 1955-56 (3.5 per cent.). Thus, the total loss of family manpower between the last two family manpower surveys

¹ For more detailed information on methods and results of the survey see H. KÖRTER and K. DAHM : "Einkommensverhältnisse von gewerblichen Arbeitnehmern in ländlichen Gebieten", in *Agarwirtschaft* (Hanover), Jg. 6, Heft 1, 1957, pp. 7-12.

² See *Bericht über die Lage der Landwirtschaft, 1957*, op. cit.

amounted to about 360,000.¹ Some 35 per cent. of those who left, however, are still available for seasonal or casual farm work. They have changed their vocation, but still live in the country.

The decline in family manpower only occurred on small farms below 10 hectares. For the first time since 1950 migration from the land of family members of medium and large farms completely ceased, whereas on small farms the reduction of surplus family manpower continued. The strong pull of the industrial labour market persisted, but it no longer attracted family workers from farms which were already experiencing some difficulties in securing the necessary labour supply. These tendencies, in the words of the report, seem to indicate a gradual improvement of the agricultural employment structure.

(2) The continuous decrease in the number of wage earners also affected the composition of the wage-earning labour force in agriculture. While in 1949 some 66 per cent. of all agricultural wage earners were unmarried farm helpers, provided with board and lodging by their employers, the corresponding figure for 1955-56 was only 50 per cent. For the first time, and in contrast with the still widespread preference of agricultural employers to employ unmarried farm workers, the Government considers this trend as "a healthy reorganisation of the agricultural wage-earning employment structure". The report concedes, however, that in the period of transition there might be some bottlenecks in the supply of labour, particularly on medium-sized and larger family farms.

(3) The difference between average agricultural wages and wages paid in other comparable occupations amounted to 0.61 marks per hour of work.² This discrepancy narrowed to 0.41 marks after allowance was made for the time industrial workers have to spend in travelling to and from work (80 minutes on the average). In comparison with the previous year, however, the wage difference rose from 29 to 33 per cent., although agricultural wages were raised by as much as 11.5 per cent. early in 1956. Wages paid in comparable non-agricultural occupations rose faster than in agriculture.

On the other hand, the report stresses the fact that, in areas where there was a shortage of agricultural labour, employers often paid higher wages than those stipulated by collective agreements. According to a special investigation made in 1953 the relevant difference was roughly 8 per cent. in North Rhine-Westphalia and Baden-Württemberg.

(4) One of the most striking aspects of the report concerns the considerable differences in land and labour productivity that were found to exist between farms of different size groups and farming systems. Land productivity on small farms was higher than on larger farms, but in labour productivity the bigger farms excelled. For example, average labour productivity of all farms below 10 hectares varied between 5,000 and 7,000 marks per worker and that of all farms above 50 hectares between 8,000 to 14,000 marks. Differences in labour income per worker

¹ Statistical procedures prevailing in the Federal Republic do not permit trends in agricultural family manpower to be followed on a yearly basis, because the number of farm operators and of members of their families is determined by representative sample surveys which are made at irregular intervals. As far as the agricultural wage-earning labour force is concerned, however, a regular census is made twice a year.

² Monthly wages of non-agricultural wage earners (averages in the Federal Republic) living in rural areas exceeded those of non-skilled agricultural workers by 49 per cent., of semi-skilled agricultural workers by 57 per cent., of skilled agricultural workers by 29 per cent. and of semi-skilled female workers by 32 per cent.

were also considerable between various farm sizes within the same farming system and between various systems of farming within the same size group. On root-crop farms below 10 hectares in size labour income amounted to 2,655 marks per worker and on those above 50 hectares to 3,670 marks. Within the same size group (20 to 50 hectares) the difference in labour income between root-crop farms and forage farms was about 1,300 marks (3,473 in the former and 2,174 in the latter).

(5) Actual farm income covered the sum of the "items of comparison" (adequate returns to management, labour and capital) only on sugar-beet farms of all sizes above 10 hectares in North Rhine-Westphalia and on potato farms above 50 hectares in Lower Saxony. On forage farms in south and north Germany, on south German grain and forage farms, and grain and root-crop farms, actual farm income did not cover much more than 60 per cent. of the total of these "items of comparison".

THE PROVISIONS OF THE GREEN PLANS

On the basis of these findings the Government decided to continue the measures of special support to agriculture initiated by the Green Plan of 1955-56 and to grant additional assistance. It suggested that a total of 1,212 million marks (1,008 million in the form of grants-in-aid and 204 million in the form of credits) should be appropriated for this purpose as compared with 615.5 million in the preceding year. These funds were to be provided out of the federal Treasury and to be distributed among the following items¹:

1. *Improvement of the Agrarian Structure and of Working and Living Conditions in Rural Areas*

	Millions of marks	
	1956	1957
(a) Consolidation of scattered holdings, enlargement of small farms, relocation of farmsteads ²	80	165
(b) Agricultural improvements, drainage, irrigation, expansion of rural road systems, improved sewage disposal and water supply	124.5	190
(c) Rural electrification	35	35
(d) Construction and repair of houses for married agricultural wage earners	—	10
Total . . .	239.5	400

2. *Rationalisation of Agricultural Production*

(a) Rebates on fertilisers	226	260
(b) Purchase of high-quality seeds and improvement of fruit plantings	13	11
(c) Promotion of mechanisation, construction of silos and drying equipment, purchase of machinery for co-operative use	6	20
Total . . .	245	291

¹ *Massnahmen der Bundesregierung gemäss § 5 des Landwirtschaftsgesetzes (Grüner Plan 1957) zu BR.-Drucks. Nr. 52/57 (Bonn, 1957), and Massnahmen gemäss § 5 des Landwirtschaftsgesetzes zu Drucksache 2100, Deutscher Bundestag, 2. Wahlperiode 1953 (Bonn, 1956).*

² The considerable increase in funds provided for this purpose is explained by the fact that the 1956 appropriations were not sufficient in view of the numerous applications of farmers for assistance in these activities.

3. *Improvement of Quality and Marketing of Agricultural Products*

	Millions of marks	
	1956	1957
(a) Increase of producers' prices for milk, improvement of dairy equipment, eradication of animal diseases, better facilities for drying and storing grain, school-milk programmes ¹	42	450
(b) Other agricultural products	17	30
Total	59	480

4. *Relief for Indebted Farmers and Other Measures of Support*

(a) Consolidation of pressing short-term liabilities, subsidies to ease agricultural credit terms, financial assistance for construction and repair of farm buildings ²	46	10
(b) Tax relief (pasture lands to be freed from assessment for the war burden equalisation tax)	16	16
Total	62	26

5. *Promotion of Education and Vocational Training*

(a) General improvement of research, vocational training and education, advisory and information services for the agricultural population in order to make rationalisation of farms more effective, and		
(b) Special efforts towards improving vocational training of wage earners, grants for their participation in courses to make them better acquainted with modern agricultural methods and with the handling of new mechanical equipment	10	15
Grand total	615.5	1,212

Distribution of these funds among the various Länder was to be arranged in such a way as to take account of their share in the total of those size groups and farming systems which, according to the findings of the Green Report, were in greatest need of support. Governments of the Länder were requested to ensure that the over-all plan was adapted to local conditions, and to make additional contributions. Within the framework of these measures, particular attention was to be given to new settlements which are to a large extent operated by refugee farmers.

¹ This considerable increase in funds was suggested because, in the view of the Government, higher demands for quality milk required greater efforts on the part of farmers, which could only be stimulated by higher producers' prices. However, higher prices (0.04 marks per litre) will be granted only to producers who fulfil the following requirements: (1) cattle herds must be officially certified as being free from disease or in the process of being freed from disease according to an officially approved plan; (2) milk from these herds must be of grade 1 or 2 quality; and (3) special tests should ensure that farmers comply with these regulations.

² Appropriations for this purpose in 1957 were reduced because of a surplus of 25 million marks remaining from the total funds made available in 1956.

It was also indicated that special investigations were being carried out in order to obtain more detailed information on the particular problems faced by newly settled refugee farmers so that appropriate long-term measures could be taken accordingly.¹

THE AGRICULTURAL ACT AND PUBLIC OPINION

The Agricultural Act is a compromise between the more radical views of the adherents of *laissez-faire* and of the followers of protectionism. It was only in this form that the law could be expected to command a large majority in Parliament. Thus, three major demands of the more conservative wing of the farm group remained unsatisfied, namely: (a) the law does not provide for "emergency measures", i.e. immediate relief for easing abnormal natural (and economic) conditions; (b) it does not contain a clearly formulated obligation towards agriculture; and (c) since the comparison between earnings and costs is made the basis of the law, no automatic connections exist between the level of agricultural and non-agricultural prices.

However, the promulgation of the law was considered a success by the more moderate groups of farmers, who succeeded in persuading the Government and Parliament to deal continuously with the problems of agriculture and to eliminate defects in its earning capacity.²

Debates on the Green Report and the Green Plan in Parliament showed that the necessity for and the extent of the various measures proposed were well recognised by a large majority. The main criticisms therefore concentrated on the way in which it was suggested that the proposed funds should be distributed among the different items of the plan.³ It was argued that too much emphasis was placed on general subsidies that would also favour parts of agriculture which, according to the findings of the report, do not need support. The large appropriation for this purpose would clearly leave less available for the improvement of the agrarian structure.⁴

Some farmers' representatives held the opposite view. They suggested immediate price increases and more subsidies and stronger protection against the price-depressing effects of foreign food and feeding-stuff deliveries. Though they agreed that the agrarian structure needs improvement, they nevertheless maintained that the solution of this problem was a long-term proposition and that immediate and direct relief was more urgent.⁵ Between these opposing views the majority of Parliament decided to enact the plan in its originally proposed form.

Since the first deliberations on the content of the Act a great deal of criticism and comment has been levelled against the so-called "items of comparison" and the "comparative calculation" as well as against the underlying premises and assumptions. It was argued that questions

¹ It may be noted that there are still 150,000 refugee farmers from the east waiting for resettlement. At the request of the Minister of Agriculture a group of experts has drawn up a long-term plan suggesting ways and means of integrating these farmers in West German agriculture. This "Green Plan for the Refugees" was submitted to the Minister of Agriculture in May 1957. See "Grüner Plan für die Vertriebenen", in *Innere Kolonisation* (Berlin-Bonn), 6. Jg. Heft 5, 1957, p. 115, and *ibid.*, 5. Jg. Heft 7, 1956, p. 171.

² Dr. MÜLLER: "Was bringt das Landwirtschaftsgesetz?", *op. cit.*, p. 758.

³ "Grüner Bericht und Grüner Plan", in *Innere Kolonisation*, 6. Jg., Heft 3, 1957, p. 51.

⁴ 2. *Deutscher Bundestag*—195. *Sitzung* (Bonn), 27 Feb. 1957, pp. 11105 and 11107.

⁵ *Ibid.*, pp. 11114, 11115, 11121 and 11141.

like adequate remuneration of farm operators for managerial service, adequate wage rates and adequate rates of interest on capital invested in the farm could hardly be decided on scientific grounds. In the view of these critics the fixing of an adequate remuneration of farm operators would imply that every farmer is guaranteed a surplus which, in economic reality, can only be obtained by the most efficient and most progressive of them. Similar considerations would apply to the fixing of an adequate rate of interest on farm capital.

There were also differences of opinion on what vocational groups or workers could be regarded as comparable to agricultural labour, how much labour would be necessary to ensure efficient farming, how the labour input of women, young and elderly family workers should be evaluated in relation to that of an able-bodied adult man and where the dividing line should be drawn between mere employment and effective work.¹

Discussions within the Advisory Council of these problems, which are of decisive importance for the results of the Green Report, gave rise to numerous controversies among its members. An indication of the difficulties involved is provided by the fact that several assumptions were modified in the second Green Report. However, these changes also reflect the continuous endeavour of the Government and the Advisory Council to settle these issues as objectively and satisfactorily as possible, taking into account the various views and investigations in this intricate matter.

In a special section of the report the Government comments upon the purpose and the limitations of the various premises and assumptions in order to make it clear what can or what cannot be expected from their application. Particular attention is drawn to the fact that discrepancies between earnings and costs within the different farm groups, as revealed by the "comparative calculation", do not establish a right for absolute claims to be levied on the national economy. The main purpose of the calculation based on these controversial assumptions is rather to give an indication of where measures of support can be successfully applied in order to improve the situation of agriculture and what results these measures have achieved in the different types of farming and groups of farms.²

Rural sociologists who, in recent years, have gained more influence in matters of agricultural policy, welcomed the greater attention to social problems which the second Green Plan has paid in comparison to the first.³ From their point of view one of the most important aspects of the plan is the Government's intention to follow what rural sociologists call a "constructive policy for agricultural workers", i.e. one whose aim is to favour the gradual replacement of relatively unstable, less-skilled and unmarried farm hands by comparatively few, stable, highly-skilled and married workers. The report takes the view that such a reorganisation, which can only take place gradually, might lead to undesirable shortages of labour in the period of transition and suggests that, in order to overcome these contingent difficulties, the introduction of foreign agricultural workers might be continued.

¹ T. BERGMANN: "Der 'Grüne Bericht': Ein Förderungsprogramm für die westdeutsche Landwirtschaft", in *Agrarpolitische Revue* (Zürich), 12. Jg., Heft 9, Nr. 111, 1956, p. 368.

² *Bericht über die Lage der Landwirtschaft*, 1957, op. cit., p. 94.

³ "Der zweite 'Grüne Bericht' in agrarsozialer Sicht", in *Rundbrief* (Göttingen, Agrarsoziale Gesellschaft, e.V.), VIII/2-3, 1957, p. 17.

Against this proposal, sociologists and farm workers' representatives voiced strong concern. They argued that the introduction of foreign workers in greater numbers might jeopardise the desirable shift in the wage earners' employment structure as well as the consolidation of family manpower in agriculture.¹

All those concerned with improving the lot of farm workers particularly welcomed the plan's provision for the promotion of housing for married agricultural wage earners. The first Green Plan only provided assistance for the transfer to other dwellings of families who lived in agricultural wage earners' houses and dwellings, though they no longer worked in agriculture. The second plan included funds for the construction and improvement of houses to be occupied by agricultural wage earners. In addition, further help in the building of dwellings for farm workers was to be made available as in previous years through the national housing and agricultural settlement programmes.

Part of the funds for the promotion of vocational training was earmarked for a scheme to enable agricultural wage earners to attend special courses and to obtain a certificate stating the skills they acquired. It was hoped that this arrangement would improve not only their professional qualifications but their social status as well.

Both proposals—the promotion of housing and vocational training of agricultural wage earners—were received with satisfaction by employers' and workers' representatives. They were regarded as a great step forward towards providing agriculture with a smaller but more stable and better-qualified labour force which would derive satisfaction and contentment from its profession.²

CONCLUSION

The Agricultural Act has not been in force long enough for its effects to be fully appraised. This can only be done after a greater number of Green Plans have been implemented and their results carefully scrutinised against the background of general economic development and policy. However, some important achievements are already clearly discernible. By making regularly available a detailed and objective documentation on the position of German agriculture, the Agricultural Act has had the effect that differences of opinion and controversies about the course of agricultural policy have been conducted along more objective and less emotional lines. The Green Reports are also making the general public aware of the concerns and needs of agriculture in a progressive industrial society and are thus helping to improve general interest in the various measures designed to enable the handicapped sections of agriculture to keep pace with general economic development.³

These changes coincide with the recently increased activities of Parliament in favour of agriculture, reflected in the promulgation of a law concerning old-age insurance for farmers⁴, the submission to Parlia-

¹ "Der zweite 'Grüne Bericht' in agrarsozialer Sicht", op. cit., p. 18, and 2. *Deutscher Bundestag*, op. cit., p. 11135.

² 2. *Deutscher Bundestag*, op. cit., pp. 11135 to 11137.

³ T. BERGMANN: "Der Grüne Bericht 1957—Grosse Veränderungen in der west-deutschen Landwirtschaft", in *Agrarpolitische Revue*, 13. Jg., Heft 11, Nr. 121, 1957, p. 477, and 2. *Deutscher Bundestag*, op. cit., pp. 11135-11137.

⁴ "Gesetz über eine Altershilfe für Landwirte", in *Bundesgesetzblatt* (Bonn), Teil I, Nr. 40, 1957, p. 1063.

ment of a Bill concerning the protection of children and young workers (which is to include agriculture) and the beginning of preparatory work for reforming agricultural accident insurance.

Another stimulating effect of the Green Plan may be seen in recent activities for improving the general status of agricultural workers, jointly undertaken by agricultural employers' and workers' organisations.¹ In July 1957 representatives of both organisations and experts in agricultural vocational training held a meeting at which they discussed ways and means of strengthening the measures of the Green Plan and of extending their scope. They decided to set up an "Association for the Promotion of the Landworker's Profession" (*Verein zur Förderung des Landarbeiterberufes*). This association will have the following four major tasks:

(1) to establish and maintain institutions for the training of skilled agricultural workers (schools for agricultural workers);

(2) to formulate standards relating to teaching and examination procedures for the training of skilled agricultural workers and to promote their application;

(3) to promote extension of agricultural advisory services to agricultural workers; and

(4) to ensure that agricultural workers are included in government programmes of assistance, such as the housing and agricultural settlement programmes.

In summary, the major emphasis of present agricultural policy in the Federal Republic of Germany is placed on granting to agriculture temporary subsidies designed to lead to improvements in production. The ultimate goal is to make agriculture more efficient and competitive, to raise the working and living conditions of its labour force to a level comparable to that prevailing in other occupations and eventually to enable agriculture "to hold its place beside an ever-expanding industry and against the competition of foreign food production without outside help".²

¹ "Landarbeiterausbildung soll aktiviert werden", in *Rundbrief*, VIII/8-9, 1957, p. 98.

² T. SONNEMANN: "Die Landwirtschaft im Industriestaat", in *Agrarwirtschaft*, Jg. 6, Heft 8, 1957.