

The Failure to Scale: Estonian Experiments in Agricultural Reform during Late Socialism

Donald Morard III, PhD Candidate, McGill University, Montreal, Canada

Visegrad Fellowship, Open Society Archive, Central European University, Budapest, Hungary

May 1 – June 28, 2024

I. Project Overview

A defining characteristic of the global food economy over the last 70 years has been the rise of vertically integrated agribusiness, where large corporations have sought to merge farming and the food processing industry into a single vertically integrated unit. Advocates of agribusiness, such as Harvard business professors John H. Davis and Ray A. Goldberg in their 1957 book *A Concept of Agribusiness*, aimed for a future where the “food and fiber economy” would be managed not as a problem of farming but one where business coordinated all aspects of the value chain. For the authors, this was necessary as agriculture was becoming increasingly complex beyond the fields, with pesticides, tractors, fuel for tractors, and ensuring enough food for livestock all becoming as important as the farm process itself.¹ This development of modern agriculture was more than just a scientific and technical jump, with agribusiness lauded as a distinct achievement of the Western social-economic system.

Food policy was one of the many pillars which the Cold War was fought over. In regions like South Asia and West Africa, the Soviet Union often focused on supplying tractors and fertilizers to support farmers who were part of state-backed producer cooperatives while the US pushed the Green Revolution, an initiative from private groups like the Ford and Rockefeller foundations to export agriculture packages with seeds, chemical inputs, and farm equipment with the aim of ending world hunger to thus ensure world peace.² In a 1970 Radio Free Europe/Radio Liberty report on the pioneer of the Green Revolution, agronomist Norman Borlaug, winner of the Nobel Prize, the author makes it clear that it was private foundations that were leading the way in “resolving global problems as hunger and poverty, problems that present a chronic threat to progress and peace in the world.” In contrast, the report goes on to state that the Soviets had little to present to countries dealing with hunger and poverty.³ While experts at RFE/RL downplayed the possibility of a Soviet Green Revolution they did take seriously the agricultural policy of the country, with draft policy recommendations in the 1960s telling broadcasting departments to advise listeners on how to improve their own private plots while also promoting

¹ In the book, the authors claim that the term was not only a way to understand the present and future of American agriculture but also agriculture since the early 1800s, where activities away from the fields and pastures began to take a more important role in the food and fiber economy. See John H. Davis and Ray A. Goldberg, *A Concept of Agribusiness* (Boston: Harvard Business School Press, 1957), 1-2.

² See Alessandro Iandolo, *Arrested Development: The Soviet Union in Ghana, Guinea, and Mali, 1955–1968* (Ithaca, New York: Cornell University Press, 2022) and Aaron T. Hale-Dorrell, *Corn Crusade: Khrushchev's Farming Revolution in the Post-Stalin Soviet Union* (Oxford: Oxford University Press, 2018)

³ “Nobel Prize to Hunger Fighter,” Communist Area Research (Radio Free Europe/Radio Liberty, October 22, 1970), HU OSA 300-7-6:2/3.

alternative forms of agricultural management, particularly European variants like Denmark but other alternatives like Poland or Yugoslavia, both socialist states that never collectivized.⁴

Agribusiness itself never emerged in the Soviet Union, given the ideological hostility to private enterprise that lasted until 1989 when Gorbachev made it possible to lease land. However, the country did want to reap the benefits of agribusiness's vertically integrated food system management. Known as the agro-industrial complex, the reform envisioned a future where food and agricultural production would be part of a single management complex, where farmers and processing facilities cooperated. This socialist answer to agribusiness was the object of my research while a Visegrad Fellow at the Blinken OSA Archivum. Through the documents of the RFE/RL Research Institute (HU OSA 300), I made three main findings:

1. Both Western experts, primarily Sovietologists interested in food policy, and Soviet commentators discussed the development of the Agro-Industrial Complex as a part of the Soviet Union's connections with the global food economy;
2. In many ways, the development and rhetoric of this agro-industrial complex aided both the goals of the conservative Brezhnev system but was also used to subvert it, with reformist economists latching onto the idea to further their goals for a more decentralized economic system; and
3. The case of Soviet Estonia and its unique role in being a pioneer of agro-industrial reform and how this was influential in pushing more radical reform both in Estonia (for policies like self-management) and for broader all-union reform.

These findings, and the information found in the Blinken OSA Archivum, have and will be significant in identifying key actors pushing for agro-industrial reform in the Soviet Union and understanding how the idea of the agro-industrial complex played a crucial factor in shaping all-union and Estonian economic reform.

II. Preliminary Questions and Background on the Topic

The main questions guiding my research when arriving at the Blinken OSA Archivum focused primarily on Estonia's role in pushing reform within the rest of the Soviet Union and the ways the agro-industrial complex fit within the political economy of the global food system. Examples of questions included: What specific ideas from abroad proved to be an inspiration for Estonian reformers? Why did Soviet officials allow Estonian management experiments to continue that undermined key pillars of Soviet power? How did the agro-industrial complex fit within the ideas of cautious conservative vs structurally radical technocratic reforms? And how was the agro-industrial complex perceived in the Soviet Union and by other countries over time?

These questions were guided by my knowledge that Estonia played a unique role within the Soviet Union as an icebreaker of reform due to its proximity to Finland, history as an

⁴ "Draft Policy Statement on Collectivization" (Munich: Radio Free Europe/Radio Liberty, 1963), HU OSA 300-2-1:1/1; "Policy Position Statement: Collectivized Agriculture in the USSR" (Radio Free Europe/Radio Liberty, April 23, 1963), HU OSA 300-2-1:1/1.

independent state, and the republic being the most economically successful within the entire union. New literature on Soviet Estonia's economy by scholars Lars Fredrik Stöcker, Aro Velvet, and Juhan Saharov has highlighted the significance Soviet Estonian economic experimentation played for political, economic, and intellectual transformation both in the republic itself and in the Soviet Union more broadly.⁵ My dissertation project, which focuses on the role of Soviet economic reform through the idea of the agro-industrial complex, aims to entangle both the Soviet Union and occupied Estonia into the broader changes that occurred to the global food system in the second half of the 20th century.

III. Summary of Sources Found

While a Visegrad Fellow at the Blinken OSA Archivum, I first targeted my research into the subject files that directly focused on issues of agriculture, before then moving on to questions of Soviet Estonia. These were primarily in the sub-funds HU OSA 300-2 and HU OSA 300-80. The main documents in these sub-funds were Soviet and Western newspapers, professional publications, and research reports from RFE/RL. After consultation with staff in the archive I expanded my research further to look at other files such as subject files from RFE/RL analysts, biographical files in the Samizdat archive, and more Western-produced materials. Below is an overview of the main sub-funds consulted over the two months as a Visegrad Fellow:

a) HU OSA 300-2 East European Research and Analysis Department

Within the fund, the most relevant records were within HU OSA 300-2-8, Subject Files Relating to the USSR. These files, which cover the years up to 1979, discussed many agricultural topics that were more general along with more specific topics like inputs and outputs. Most of the sources were either Western publications or translations of Soviet publications like *Pravda*, *Izvestiia*, and more regional papers like *Sovietskaia Estonia*. The fund also included more specialist newspapers from publications like *Ekonomicheskaiia Gazeta*, *Sel'skaia Zhizn'*, and translations of Soviet radio broadcasts. Boxes 1-22 dealt with more macro-economic issues of agriculture like grain trade and all-union policy, with articles on large policy changes being the most useful. Boxes 54-59 were the most relevant materials of this subfund to my research project, as these items on agricultural microeconomics heavily discussed the formation of agro-industrial associations in the countryside and the overall changes occurring to farm management. Many Soviet articles and RFE/RL reports were comparative with the US. While some of the documents overlapped with items in HU OSA 300-80-1, I was still able to find unique sources often translated into English. Compared to the Soviet Red Archives (HU OSA 300-80), there was more on the early Brezhnev era and the role of Soviet agriculture in broader international trends.

⁵ See Lars Fredrik Stöcker, "In the Spirit of Perestroika? Swedish Involvement in the Soviet Baltic Economies, 1988-1991," *Zeitschrift für Ostmitteleuropa-Forschung* 68, no. 4 (December 22, 2019): 577–602; Aro Velvet, "The Blank Slate E-State: Estonian Information Society and the Politics of Novelty in the 1990s," *Engaging Science, Technology, and Society* 6 (March 14, 2020): 162–84; and Juhan Saharov, "From an Economic Term to a Political Concept: The Conceptual Innovation of 'Self-Management' in Soviet Estonia," *Contributions to the History of Concepts* 16 (June 1, 2021): 116–40.

HU OSA 300-2-1, Subject Files Relating to the Bloc, also had some interesting items on agriculture. These were mostly plans by the CMEA to create common plans on agricultural policy, assessments of the Eastern Bloc's agricultural output overall, and discussions from groups like the United Nations Food and Agriculture Organization on the state of Soviet farming. Three notable documents were in Box 1, with two 1963 RFE/RL draft policy statements on collectivized agriculture in folder 1 while in folder 3 there is a 1969 Communist Area Research Department report proposing the European Economic Community's Mansholt Farm Plan as a model for the Eastern Bloc.⁶

b) HU OSA 300-5 Analytic Research Department

The subject files of RFE/RL experts Riina Kionka (HU OSA 300-5-130), Dzintra Bungs (HU OSA 300-5-170), and Ann Sheehy (HU OSA 300-5-180) all contained useful information on the Baltic States and Estonia more broadly. Many of the documents collected by Riina Kionka were in Russian, English, and Estonian. The Estonian articles in publications like *Sotsialistlik Põllumajandus* and *Rahva Hääl*, especially those published during perestroika, were important for highlighting the Estonian view of what agricultural reform should look like. Also contained with HU OSA 300-5-130 were communications from Estonian diaspora groups like the Estonian American National Council to RFE, though these mostly focused on questions of human rights and political prisoners. The files of Dzintra Bungs focus primarily on Latvia, though there are some documents about the Baltic State's economic performance and Estonia's role in perestroika that will be helpful. Files from RFE/RL analyst Ann Sheehy contained useful information about Soviet Estonian economics, notably on the topic of the *IME (Isemajandav Eesti, Self-Managed Estonia)* from important economists like Mikhail Bronstein, a reform-minded economist who pushed for agricultural reform from the early 1970s until the collapse of the Soviet Union.

c) HU OSA 300-7 US Office

While some materials were the same as those in other parts of the Blinken OSA Archivum, the collection of the US Office did contain some interesting Radio Liberty Dispatches from the late 1960s to early 1970s on the state of Soviet agriculture that may end up being useful. While the Radio Liberty Research reports were meant to be primarily used internally within RFE/RL, the Radio Liberty Dispatches based on the Radio Liberty Research reports were sent to Sovietologists across North America. The most interesting source among this collection is a Radio Liberty Dispatch from August 2, 1972, which provides an overview of the agro-industrial complex and highlights that the combination of farms and processing was propelled by an effort to better manage the meat industry.⁷

⁶ "Draft Policy Statement on Collectivization" (Munich: Radio Free Europe/Radio Liberty, 1963), HU OSA 300-2-1:1/1; "Policy Position Statement: Collectivized Agriculture in the USSR" (Radio Free Europe/Radio Liberty, April 23, 1963), HU OSA 300-2-1:1/1; "Mansholt Farm Plan: Model for East Europe?," Communist Area Research (Munich: Radio Free Europe/Radio Liberty, March 14, 1969), HU OSA 300-2-1:1/3.

⁷ Paige Bryan, "On Soviet Agro-Industrial Complexes," Radio Liberty Dispatches (Radio Free Europe/Radio Liberty, August 2, 1972), HU OSA 300-7-6:2/5.

d) *HU OSA 300-80 Soviet Red Archives*

The Soviet Red Archives, particularly the Old Subject Files (HU OSA 300-80-1) discussing agriculture and Estonia were the most important documents for my research at the Blinken OSA Archivum. Box 897 of the Old Subject Files was important as it focused heavily on the Agro-Industrial Associations, with newspaper articles and Radio Liberty Research reports discussing these associations from 1977 until 1991. Regular newspapers like *Pravda* and *Izvestiia*, along with other publications like *Partiinaiia Zhizin'*, *Krasnaia Zvezda*, and *Literaturnaia Gazeta* discuss the associations' role in key developments like the 1982 Food Program and for perestroika in the countryside. Box 900, folders 1, 2, and 6 contained articles discussing Soviet agricultural industrialization, often juxtaposed to how it was occurring in the United States. Box 906, folders 1-3 had useful articles discussing the role of private plots in the development of the agro-industrial complex, with one research report stressing that the private plots were essentially "The Third Sector in Soviet Agriculture" by the early 1980s.⁸

The other main set of documents I used from the Soviet Red Archives Old Subject files focused on Soviet Estonia. Box 1194, folders 4 and 5 on the Estonian Communist Party were useful to understand key policy shifts in agriculture through reprinted resolutions and speeches. Box 1198 was particularly useful for discussing Soviet Estonian economic and agricultural policy in more detail. Reports like "The Viljandi Experiment in Estonia" from 1982 highlight the unique role played by Soviet Estonia in developing the agro-industrial complex, with other articles in folder 4 focusing on the Estonian agricultural experience.⁹ Many of the newspaper articles from Boxes 1194-1200 were published in *Sovietskaia Estonia* and provide researchers who can read Russian a glimpse of the politics and economic developments occurring in Estonia at the time. The Baltic Files (HU OSA 300-80-5) contained less relevant, though some useful items for my research project. Many articles in Box 1 and Box 2 focused on the Soviet Baltic's role in perestroika, with one *Financial Times* article on Estonia titled "USSR: On the Jagged Edge of Glasnost" describing how the IME program in Estonia in many ways looked to the Chinese model of having closed economic cities as experimental economic zones.¹⁰

e) *HU OSA 300-85 Samizdat Archives*

Within the Samizdat Archives, most files are primarily focused on issues like human rights and national sovereignty. While searching through folders discussing Estonia, most documents described the plight of dissidents or the growth of anti-Soviet groups like the Estonian Green Movement. Most useful for my research were the Biographical Files (HU OSA 300-85-13), with the file on Mikhail Bronstein containing a few useful articles on Soviet

⁸ Andreas Tenson, "The Third Sector in Soviet Agriculture," Radio Liberty Research (Radio Free Europe/Radio Liberty, September 6, 1984), HU OSA 300-80-1:906/1.

⁹ Elmar Jarvesoo, "The Viljandi Experiment in Estonia," Radio Liberty Research (Radio Free Europe/Radio Liberty, March 25, 1981), HU OSA 300-80-1:1198/4.

¹⁰ Edward Mortimer, "USSR- On the Jagged Edge of Glasnost," *Financial Times*, November 9, 1987, HU OSA 300-80-5:1/5.

Estonian economics. The other interesting find within the Samizdat Archives were letters to the Radio Free Europe Estonian Service, with one letter from 1989 discussing the role of the IME and the future of perestroika that may be useful for my research.¹¹

f) HU OSA 300-120 Western Press Archives

The Western Press Archives, while mostly containing articles from publications like the *New York Times* or *Christian Science Monitor*, also had some articles from Soviet publications like *Pravda* or *Izvestiia*. I primarily consulted this sub-fund to check for connections between the agricultural experience of the Hungarian People's Republic and Soviet Estonia from the 1960s to the 1980s. While finding no direct tie between the two countries in this sub fund there were many articles and research reports discussing the growth of Hungarian cooperatives that mimicked the language used to discuss Soviet Estonian agriculture.¹²

IV. Research Outcomes and Uses

Overall, the research made possible through the Visegrad Fund allowed me to demonstrate the significant role of agricultural reform at both an all-union level and its impacts on Soviet Estonia. The collections of the Blinken OSA Archivum contained many documents from both Western and Soviet press, along with reports from analysts, highlighting the significance of the Soviet agro-industrial complex not only for Soviet politicians but for Western Sovietologists keen on assessing the strength of the Soviet rural economy. By narrowing my focus to the case of Soviet Estonia and utilizing the Soviet Estonian sources available in the archive, this project shines a light on the ways local actors in small union republics could impact all-union policy.

The materials in the Blinken OSA Archivum have helped me identify key actors in the development of the Soviet agro-industrial complex and create a timeline of key events in all-union policy and within Soviet Estonia. This will help me with my dissertation project moving forward to conduct further research in institutions like the National Archives of Estonia, the National library of Estonia, and various academic libraries. Furthermore, I was able to find a wealth of theoretical debate from Soviet agronomists on what the agro-industrial complex was and what it should look like. This will aid me with one of the key areas I plan to focus on in my dissertation: the intellectual and ideological debates on the Soviet agro-industrial complex as it evolved from the 1970s to the end of the 1980s. Lastly, many of the authors of the RFE/RL reports maintained important roles in academia, giving me a list of important Western scholars from the 1970s and 1980s that I can focus on for further information.

¹¹ Olev Randma, "Letter from Olev Randma to Radio Free Europe Estonian Service," August 17, 1989, HU OSA 300-85-35:8/9.

¹² For more information, see Andreas Tenson, "Hungarian Agriculture as Viewed by the Soviet Press," Radio Liberty Research (Munich: Radio Free Europe/Radio Liberty, December 22, 1981), HU OSA 300-120-13:52/1 and Laszlo Rasko, "Ancillary Industrial Activities Increase in Hungarian Cooperatives," Hungarian Unit (Munich: Radio Free Europe/Radio Liberty, October 23, 1980), HU OSA 300-120-13:52/1.