

Putin Rallies Tambov Farmers

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TAMBOV — Prime Minister Vladimir Putin has pledged lavish new subsidies to farmers as he seeks their support in an election year amid fears that another poor harvest might trigger new food price shocks.

Drought killed about a third of Russia's grain crop last year, pushing up inflation and denting the popularity of Putin's United Russia party, which is seeking to defend its majority in the State Duma in December elections.

"United Russia has the highest percentage of votes in the countryside. United Russia should be aware of it and respond accordingly," Putin told a farmers congress in Tambov, in the heart of the country's Black Earth region.

"We will spend 150 billion rubles [\$5 billion] to support agriculture this year," Putin told a rapt audience, rattling off figures on new state aid for fuel, loans and equipment leases.

The December elections will be a litmus test for voters' appetite for change, given that the percentage of votes cast for United Russia might influence Putin's decision on whether to run for a return to the presidency in March 2012.

A second poor harvest would make it harder to achieve a smooth transition of power. "They need to keep rural voters' sympathy; it is crucial for their election success," said Pavel Salin, an analyst with the Kremlin-connected Center of Current Politics. "But the weather in the countryside is outside Putin's control."

Some commentators have pointed to food price shocks as one reason behind recent popular uprisings in Arab countries, and historians say supply disruptions in St. Petersburg helped trigger the 1917 Revolution.

In the Tambov region, which harvested only 30 percent of last year's planned crops, farmers are trying to assess their prospects, with some forecasts saying up to 20 percent of crops may already have perished.

"The state of the winter crops is causing concern because the seedlings did not go into dormancy during a warm autumn. The end of winter will show everything," said Alexander Aksyonov, head of the Tambov regional administration's agriculture department.

"Snow cover is thick enough, but the problem is the thawed earth underneath," he said. "The crop will depend on what the spring will be like. God forbid that a cold spell should strike when the snow is gone."

Russia has spent \$25 billion in the past five years to support growth in the agriculture sector and rose to rank as the world's third largest grain exporter in 2009. The country also wants to achieve self-sufficiency in poultry and meat.

In the face of drought, Russia banned exports of feed grain to keep prices low for livestock farmers, who are expected to drive strong domestic demand. The ban is likely to be extended until the end of the year.

"We are tired of prices for our product jumping up and down. They are impossible to figure out," farmer Yury Dorokhin told Putin. "We farmers have two woes: a good harvest when the price is bad, and a bad harvest when we have nothing to sell."

Tambov region is planning to harvest 2.5 million tons of grain this year, about 3 percent of projected national output, but many farmers are already shifting away from grain into growing vegetables or breeding cattle.

"We are going to convert our grain fields into vegetable fields and invest in irrigation systems and storage," said farmer Yury Baibara, a former grain trader who supplies Moscow's McDonald's restaurants with cucumbers that go into hamburgers.

"I am not planning to sow grain any longer," Baibara said.

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