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A Framework for Comparing Social Change in the Post-Socialist Countryside¹

The structure of this paper is straightforward. It offers a framework for the analysis of post-socialist rural change by identifying differences in the socialist experiences of Eastern European countries and relating these socialist differences to differences in the post-socialist present. Its premise is the simple one that current developments in the post socialist countryside cannot be understood in isolation from the experience of the socialist past and the constraints that it imposed. Everywhere in Central and Eastern Europe, socialist agriculture was based on some sort of combination of "industrialised" large-scale agriculture and small-scale peasant farming, but the nature of "industrialised" agriculture was not everywhere the same, and the composition of the mix varied greatly from country to country. The first part of the paper considers socialist pasts, the second post-socialist presents.

Socialist pasts

Broadly speaking, there were four distinct experiences of socialist agriculture in Central and Eastern Europe between 1948, when collectivisation came onto the political agenda, and the collapse of socialism some forty years later.² These were: "Stalinist collectivisation", "collectivisation abandoned", "neo-Stalinist collectivisation", and "Hungarian collectivisation".

¹ This paper is based both on research conducted in Poland, Hungary, the Czech and Slovak Republics, Romania and Bulgaria (*Rural Employment and Rural Regeneration in Post-Socialist Central Europe*, contract No. CIPA CT92—3022, and *Agricultural Restructuring and Rural Employment in Bulgaria and Romania* contract No. ACE 94—0598—R) and a reading of the secondary literature. Where no other source is mentioned, evidence comes from information obtained in interviews carried out in the course of these projects.

² For an outline history of Eastern Europe since 1945, see Geoffrey Swain and Nigel Swain, *Eastern Europe since 1945*, London, Macmillan, 1993.

STALINIST COLLECTIVISATION

“Stalinist collectivisation” was the original model for organising life and labour on collective farms and was based on Soviet developments in the 1930s. It was informed by two somewhat contradictory tenets of socialist ideology. The first was that large-scale farming was necessarily superior to small-scale farming. The second was that co-operative farming, because it was still ultimately based on private property, was both inferior to state property and something to be treated with suspicion. Co-operative farms therefore could not be trusted with machinery or money and had to be kept under strict state control, a convenient credo in a situation where another role of agriculture was that of “milk cow” for socialist industrialisation.

The essence of the Stalinist model was as follows:

- agricultural purchase prices were low,
- peasants and co-operatives alike were subjected to oppressive compulsory deliveries,
- incomes from the co-operative were low, mainly in kind, and based on the “labour unit” rather than a wage;
- machinery was held in state-owned machine and tractor stations;
- private household plots were barely tolerated;
- there was minimal diversification out of agriculture.

This model was applied in all socialist countries in the 1950s, although nowhere was collectivised agriculture the majority form until the end of the decade, and all countries before final mass collectivisation permitted less developed types (Types I and II rather than fully collective Type III) as ways of easing peasants into collective farming.³ Once mass collectivisation had been achieved the model was usually changed radically in an attempt to make collectivisation work. But in Romania and Albania, where Stalinism never disappeared from the political system, the essential features of Stalinist collectivisation were also retained.

“Albanian agricultural policy consistently followed the Stalinist model.”⁴ The Machine and Tractor Stations remained in existence for the whole socialist period. Their abolition “was never taken into consideration or discussed”⁵, and when, in 1967, there was a final move to extend collectivisation to

³ Usually the difference between these types was that on Type I farms ploughing and sowing was carried out jointly but everything else was on an individual basis. In Type II farms the method of farming was the same, but each member received a share proportionate to the average yields of the whole farm and not the yields of the land that they had personally contributed. In the former GDR the distinguishing feature of the Type III farm was communal livestock farming.

⁴ Clarissa de Waal, “Decollectivisation and Total Scarcity in High Albania”, in Ray Abrahams (ed.) *After Socialism: Land Reform and Social Change in Eastern Europe*, Oxford and Providence, Berghahn Books, 1996, pp. 170—1.

⁵ Kristaq Pata and Myslym Osmani, “Albanian agriculture: a painful transition from communism to free market challenges”, in *Sociologia Ruralis*, Vol. XXXIV, No. 1, 1994, p. 94.

mountainous areas, new Machine and Tractor Stations were established to serve them. This same campaign to complete collectivisation also saw the size of household plots reduced from 0.3 ha to 0.1 ha (0.15 ha in the mountains). They were further reduced in 1972, and in 1981 private markets were outlawed. By 1986 it was estimated that 16 per cent of co-operative families had no land, and 45 per cent had less than 500 square metres. Albania was not devoid of attempts to reform collectivised agriculture. In 1971 legislation was passed permitting the formation of a higher type of co-operative, the KTL, which would receive state funds to purchase machinery and replace the "labour unit" by fortnightly payment of wages at 90 per cent of their notional value. (This was accompanied by the introduction of social security benefits for the co-operative peasantry in 1972.) But the KTL option was only available in lowland areas favourable to agriculture, and in the late 1970s farmed only 23 per cent of arable land. The majority retained the Stalinist model. In the mid 1960s contracts with the state replaced compulsory quotas and procurement prices were increased somewhat. But this was insufficient to allow wealth to trickle down to the membership. Remuneration from socialist farming was exceptionally low. In poor areas the daily income was the equivalent of the price of a small loaf of bread. In richer areas, it was the price of three small loaves. Despite claims of self-sufficiency in cereals by 1976, agricultural production stagnated and recognition of a food production crisis in 1987—88 resulted in minor concessions to the household plot.⁶

In Romania, where full collectivisation was achieved in 1962, machinery also remained concentrated in state-owned Machine and Tractor Stations throughout, and household plot production was never encouraged. The maximum size of the household plot was reduced in 1974 from 0.25 ha to 0.15 ha of co-operative land plus 0.025 ha of land around the house. Villagers faced compulsory quotas irrespective of whether they were in a position to supply them or not. Household plots were insufficiently large to satisfy the needs of co-operative families let alone provide an additional income through sale; but without them, the family could not survive, so they were obliged to work on the co-operative for the minimum number of days necessary to qualify for membership rights. Although the "labour unit" payment system had generally disappeared by the end of the socialist period, it was not replaced by regular cash incomes for all. Despite official declarations that from 1973 a system would be introduced whereby co-operative members received a monthly advance on their incomes from the collective, interviews with former farm members suggest that only those who worked with livestock received a money income. Workers in crop production received an

⁶ The remaining points in this paragraph come from Örjan Sjöberg, *Rural Change and Development in Albania*, Boulder, Westview Press, 1991, pp. 76—98; de Waal, "Decollectivisation...", pp. 170—3; Pata and Osmani, "Albania agriculture...", p. 91; and Enver Hoxha, *Report to the Seventh Congress of the PLA*, Tirana, B Nemtori Publishing House, 1978, p. 55.

income in kind only, usually a share (around 10 per cent) of the final crop. Farm agronomists had the status of "employees" and their salaries were covered by the state because farms had insufficient resources to pay for such professionals themselves. Other white collar staff were also employees, but were paid by the farm. Where regular remuneration was introduced, impossibly high plan targets meant that members usually only received their 80 per cent guaranteed wage and not the remaining 20 per cent which was dependent on plan fulfilment. So much of farm income was siphoned off by the state by low prices and high compulsory deliveries that even farms which regularly won prizes for record production had no significant sums of money to distribute to their members. It was widely recognised that villagers were obliged to steal from the co-operative in order to get by.

The effect of the Stalinist model, then, was poor agricultural performance, low rural incomes from agriculture, and co-operative farms which offered nothing to their members except access to a small-scale agricultural plot and somewhere to steal from in times of need.

COLLECTIVISATION ABANDONED

In Poland and Yugoslavia, dissatisfaction with the Stalinist model and the forceful methods used to impose it resulted in collectivisation being abandoned. In Poland this took place in 1956 following Gomulka's successful wresting of some aspects of "national communism" from Soviet hegemony in that year. In Yugoslavia it was between 1951 and 1953 as the country sought to give social and economic substance to its alternative model of socialism. But, because private farming was not encouraged and market forces were suppressed, what emerged was something very different from western farming. In both Poland and Yugoslavia the abandonment of collectivisation resulted in a dual agriculture in which there were:

- relatively large, very inefficient state (in Yugoslavia "social") farms employing mainly elements which had not succeeded in independent farming, and
- peasant farms which were fossilised in their late 1940s structure.

State Farms covered 20 per cent of agricultural land in Poland and 15 per cent in Yugoslavia. Peasant farms, which accounted for the bulk of the rest, were an island of private ownership in a sea of socialist institutions. In Poland, although the degree of tolerance towards peasant farmers fluctuated, doctrinal opposition to private farming meant that they were consistently discriminated against in the provision of state subsidies and restricted in the acquisition of land and machinery. Land sales were supervised by the local commune, which also allocated the right to buy new machinery. In Yugoslavia the state imposed a maxima on land holdings (10 ha in lowland areas, 20 ha in the highlands) and enjoyed preferential rights to buy and lease land. Initially government policy focused on encouraging the gradual

increase of the socialised sector via measure's such as Poland's provision of pensions to those who handed their land over to the state. In the late 1970s however it switched to encouraging a group of privileged, slightly larger-scale farmers. In Poland "specialists" received preferential access to credits and machinery in return for producing under contract to the state. In Yugoslavia "protected farms" (with a single designated heir) benefited from state support. Despite this belated support for some private farmers, average farm size tended to stagnate⁷.

NEO-STALINIST COLLECTIVISATION

In most of Eastern Europe, however, recognition of the limitations the Stalinist model resulted not in the abandonment of collectivisation but in its reform. In essence the state abandoned the notion of co-operatives as second class socialist forms and entrusted them and their members with money, machinery and increased autonomy. Generally this entailed the following measures:

- agricultural purchase prices were increased;
- compulsory deliveries were replaced by contract sales;
- incomes from agriculture took the form of a regular wage⁸;
- income levels from agriculture approximated those in industry;
- pension and social security benefits were introduced, and on a par with industry;
- diversification out of agriculture was encouraged;
- an accommodation was reached with the "household plot".

In Czechoslovakia the "labour unit" was gradually replaced by "stable remuneration" between 1963 and 1968, but at this stage both "stable remuneration" and social benefits were in return for abandoning the household plot. Over the course of the 1970s, depending on local labour market conditions and the strength of the co-operative, farms moved from paying "stable remuneration" at a monthly 80 per cent plus an annual 20 per cent bonus to a regular 100 per cent monthly wage, and the levels of both remuneration and social security provision were gradually put on a par with those from industry. After 1968 the link between "stable remuneration" and relinquishing the

⁷ For points made in this paragraph see OECD, *Review of Agricultural Policies: Poland*, Paris, 1995, p. 42; Fred Singleton and Bernard Carter, *The Economy of Yugoslavia*, London, Croom Helm, 1982, p. 164; Nigel Swain, *Collective farms as sources of stability and decay in the centrally planned economies of East Central Europe*, University of Liverpool, Centre for Central and Eastern European Studies Working Paper, Rural Transition Series No. 30, April 1994; Stefan Bojnec and Johan F.M. Swinnen, "Agricultural privatisation and farm restructuring in Slovenia", in Johan F.M. Swinnen, Allan Buckwell and Erik Mathijs (eds.), *Agricultural Privatisation, Land Reform and Farm Restructuring in Central and Eastern Europe*, Aldershot and Brookfield, Ashgate, 1997, pp. 283—4.

⁸ To begin with these often took the form of payment of a percentage, often 80 per cent, of the nominal wage every month, supplemented by the outstanding 20 per cent at the end of the year provided targets were met.

household plot was broken and Czechoslovakia further accommodated the household plot by an ideological sleight of hand. By farming the plots en bloc on behalf of the members, it could suggest that they were "common" rather than "individual" and count them as part of socialist production. Although published sources were always reticent about the significance of household plot production, interviews with former farm members reveal that state purchasing bodies bought extensively from private household plots and many members achieved incomes from household plot farming well in excess of their socialist salaries. The importance of Machine and Tractor Stations declined in the 1960s as co-operatives were permitted to buy their own equipment, whilst gradually, from the mid 1970s to 1989, the number of central directives to co-operatives dropped to zero and farms were encouraged to produce outside the plan, including outside agriculture. Famously, the Slusovica co-operative became a major producer of personal computers.⁹

Although the formal structure of GDR agriculture differed quite radically from other countries because of its unique separation of livestock and crop farming into separate co-operatives, in the key areas affecting the organisation and remuneration of labour it had much in common with Czechoslovakia. Machine and Tractor Stations declined in significance as farms acquired their own machinery. The "labour unit" was gradually wound down between the end of the 1960s and 1984 and replaced by the payment of regular wages of between 80 and 90 per cent of their nominal value. Published sources scarcely mention the household plot, but interviews with former members reveal a picture almost identical to Czechoslovakia. Its significance appears to decline because commonly cultivated plots were termed "common" and therefore socialist, and it was belatedly encouraged in the 1980s. Significant supplementary incomes could be earned by selling its produce to state purchasing companies. But diversification out of agriculture (beyond the ubiquitous construction brigades and repair workshops) was virtually unknown.¹⁰

Bulgaria also embraced the neo-Stalinist model, but distinguished itself by, on the one hand merging large-scale socialist farms to an excessive degree while, on the other, positively encouraging household plot production to an extent which almost matched Hungarian practice (see below). In the early 1960s, as elsewhere in the region, farms were merged and this resulted in a reduction in their number from 3290 to 930. In the 1970s, however, the decision was taken to create Agro-Industrial Complexes, and farms were merged again into 150—160 Complexes, each covering twenty or more villages. These were reduced in size in 1979 and lost all but administrative functions in 1986, returning the co-operatives to their dimensions of the

⁹ See Swain, *Collective farms as sources...*

¹⁰ This paragraph is based on private interviews with former members and managers of GDR co-operatives.

1960s and leaving them rather smaller than those in the other neo-Stalinist countries. By the 1980s members' remuneration was in the form of a regular monthly wage at around 90 per cent of nominal value, and some Complexes had diversified quite extensively into non-agricultural (although usually agriculture-related) production. The Machine and Tractor Stations disappeared in the 1960s and sold their equipment to co-operatives. More significantly, from the 1970s onwards household plots were encouraged. In 1973 limits on livestock were removed and the Complexes were obliged to provide pasture for privately owned animals; in 1977 the Complexes were permitted to begin contract rearing of livestock on household plots; in 1981 all restrictions on household plots were lifted and contract-reared livestock could be included in the Complex plan fulfilment figures; and in 1982 an official decree noted their role in developing marginal land. This embryonic symbiosis allowed for what one interviewee estimated was 60 per cent of monthly income to come from the household plot and considerably offset the inefficiencies of the over-centralised Complexes.¹¹

The net effect of this "neo-Stalinist" model, in addition to the near self-sufficiency it achieved in agricultural produce, was that it permitted:

- the generation of considerable wealth in rural areas; and
- with the exception of the GDR and to a lesser extent Bulgaria, the emergence of local non-agricultural employment.

Whilst village infrastructures and civic amenities remained poorly developed because of the limits on local authority funding (and in that sense suffered from under investment); there was considerable state investment in the co-operatives (in both farming and non-farming activities), and significant private investment in housing. By the late 1980s neo-Stalinist collective farm members were affluent and secure and farm managers were proud of what they had achieved.

HUNGARIAN COLLECTIVISATION

Hungarian collectivisation can be considered as a distinct model because, in addition to all the features of the neo-Stalinist model (including extensive diversification out of agriculture), it had two more besides. First, Hungary systematically encouraged household plot, small-scale private farming, and it did so partly by following the "collectivisation abandoned" model of

¹¹ This paragraph is based on Nancy J. Cochrane, "Reforming socialist agriculture: Bulgarian and Hungarian experience and implications for the USSR", in Karl-Eugen Wädekin (ed.) *Communist Agriculture: Farming in the Soviet Union and Eastern Europe*, London and New York, Routledge, 1990, p. 235; Michael L. Wyzan, "Bulgarian agriculture: sweeping reform, mediocre performance", in Wädekin, *Communist Agriculture...*, pp. 298—300; Deema Kanef, "Responses to «Democratic» Land Reforms in a Bulgarian Village", in Abrahams *After Socialism...*, p. 87; Sophia Davidova, Allan Buckwell and Diana Kopeva, "Bulgaria: economics and politics of post-reform farm structures", in Swinnen et al, *Agricultural Privatisation...*, p. 25.

rewarding with improved social benefits those who fell in line with government priorities. Rather than tacitly encourage the sale of household plot produce to state purchasers as happened in the GDR and Czechoslovakia, a substantial “symbiotic” relationship between large-scale socialist and small-scale private agriculture was self-consciously and systematically pursued. On the one hand, the members received extra social benefits for producing privately but marketing via the socialist sector; on the other, collective farm management benefited in the form of bonuses if it encouraged private plot production; and, in addition, farms benefited from central government investment programmes which encouraged this sort of integration.¹² The second distinguishing feature of the Hungarian model was the impact of Hungary’s New Economic Mechanism (introduced in 1968). By 1989 farm managements had operated for twenty years in a quasi market environment where there were no plan targets, considerable real autonomy in decision-making and farm organisation, and genuine competition.

The achievements of the Hungarian model, then, in addition to those of the neo-Stalinist model were:

- a greater degree of wealth in the Hungarian countryside than elsewhere;
- the transformation of certain of those active in the “second economy” of household plot farming into more or less independent producers;
- the experience of genuinely commercial operation on the part of co-operative managers.

Post-socialist presents

Given these four different starting points in 1989, rather different post socialist developments are not surprising.

STALINIST AGRICULTURE

Under the Stalinist model, members had received no benefits from their co-operative farm membership, only costs. Small wonder, then, that, as soon as the possibility arose, most farms were broken up. In Romania land holding returned to the structure pre-collectivisation. In Albania, where this was less practicable, there was a land redistribution according to relatively equitable criteria. In both countries, given the numbers of eligible parties and the absence of farming equipment, this resulted in a mass retreat into subsistence oriented peasant agriculture.

“When the regime [in Albania] finally came to an end in 1991, there followed an extraordinary orgy of destruction and vandalism. As if the world had come to an end and there would be no future needs, vineyards and orchards were

¹² For a full account of this “symbiotic” relationship, see Nigel Swain, *Collective Farms Which Work?*, Cambridge, Cambridge University Press, 1985, pp. 51—79.

destroyed, co-operative buildings razed to the ground; school windows, furniture and books demolished; machinery broken, and the entire rural telephone system ripped out."¹³ The government decision 266 of 8 August 1991 legitimised the break-up of co-operatives and prescribed the distribution of non-land assets on the basis of man-days labour contributed, while the land law of July 1991 distributed land in proportion to the number of family members, although in northern areas much land was illegally restored to former boundaries. These measures created an army of 400,000 private farmers (who all enjoyed a 2—3 year tax holiday) with average holdings of 1—1.5 ha. Farms of this size are scarcely big enough for subsistence, and little produce is marketed, forcing the government to the import of agricultural produce. Furthermore, there is little evidence of land concentration or the development of a land market, nor of the development of new co-operatives, or, indeed, of any form of large-scale farming. As a consequence, and unlike every other post-socialist country, there has been a dramatic out migration from agriculture accompanied by extensive migration to Greece in search of work.¹⁴

In the not quite so Stalinist Romania, there was also destruction of co-operative property as members who had got nothing out of their co-operatives took what little they could and started farming for themselves. The central piece of legislation was Land Law 18/1991 which restituted land to former owners to a maximum of 10 ha and provided for the formation of liquidation commissions to dispose of co-operative non-land assets. Assets were either distributed to the members if the farm was wound up entirely or allocated to successor organisations which could take a variety of forms: simple associations of friends and relatives, agricultural associations with their own juridical persona and a duty to register with the authorities (both regulated by law 36/1991) or one of the standard company forms (limited liability company etc.) regulated by the company law (31/1990). Unlike Albania, therefore, especially in areas suited to large-scale farming, the socialist co-operatives have been succeeded to an extent by new agricultural associations, the latter being co-operatives under another name by the key criterion that they operate on the principle of "one member, one vote". By the end of 1995 agricultural associations farmed 15.23 per cent of non-state agricultural land

¹³ de Waal, "Decollectivisation...", p. 173.

¹⁴ The remainder of this paragraph is based on Azeta Cungu and Johan F.M. Swinnen, "Agricultural privatisation, land reform and farm restructuring in Albania", in Swinnen et al, *Agricultural Privatisation...*, p. 12; Peter C. Bloch, "Picking up the pieces: consolidation of Albania's radical land reform", in Stephen K. Wegren, *Land Reform in the Former Soviet Union and Eastern Europe*, London and New York, Routledge, 1998, pp. 195—204; de Waal, "Decollectivisation...", p. 180; Pata and Osmani, "Albanian agriculture...", pp. 98—99; and Lavdosh Ferruni, *New Profile of Rural Environment and Opportunities for Sustainable Rural Development in Albania*, paper presented at ACE-funded conference on Rural Restructuring and Employment in the Balkans, 18—21 April, 1997, p. 10. I am especially indebted to Lavdosh Ferruni for assistance with the sections of this paper on Albania.

in Romania, simple associations farmed 14.02 per cent, and the remaining 70.75 per cent was farmed by over 3.5 million individual households, on plots of an average 2.24 ha. Of these, 9 per cent were under 0.5 ha, 31.3 per cent between 0.5 and 1 ha, a further 32.6 per cent between one and three hectares, 16 per cent between three and five hectares, 10.7 per cent were between five and ten hectares, and only 0.3 per cent of farms were over 10 ha.¹⁵

COLLECTIVISATION ABANDONED

It goes without saying that "the transition" had least immediate impact in the countries which had not collectivised. There were effectively no collective farms to break up, only State Farms. In Poland, once the government had passed the necessary legislation, state farm managers began taking over parts of their former state farms and running them privately. Their workers became unemployed. In addition, some successful private farmers (often the specialists encouraged since the 1970s) expanded their farms, mainly by renting but occasionally buying state farm land. The remainder continued small-scale peasant farming, full-time or part-time. Although their plots were somewhat bigger than the household plots of the former collective farm members in the other countries, their function was similar: a source of supplementary income and a cushion against unemployment. There has been, if anything, an increase in the numbers involved in this type of farming, and, despite the existence of a land market, there is little evidence of a concentration of holdings. The large farmers are growing at the expense of the state farms, not their neighbours in the village. The "organic" process whereby slightly richer farmers buy out slightly poorer ones appears to be missing. Small farmers do not sell their land because it is a vital source of food and security against unemployment.

The author has no direct research experience from the former Yugoslavia and published materials are not extensive. Data from Slovenia however suggest that what is most striking is the "absence of radical change since 1989". Unlike Poland, Slovenia has passed restitution legislation, but this has created political tensions (something Poland effectively side-stepped by not passing such legislation) which slowed down State Farm privatisation. In the private sector, there has been little concentration of holdings by purchase, but some younger farmers are increasing their holdings through land rental.¹⁶

¹⁵ In addition to the research mentioned in Note 1, this paragraph is based on Alexander H. Sarris and Dinu Gavrilescu, "Restructuring of farms and agricultural systems in Romania", in Swinnen et al, *Agricultural Privatisation...*, pp. 191—3 & 201; and Ágnes Neményi, *Erdélyi falvak — gazdasági, szociális struktúrák és folyamatok*, Kolozsvár, Alsand Kiadó, 1997, p. 13. The terminology is from an unpublished paper by Mária Vincze.

¹⁶ Bojnec and Swinnen, "Agricultural privatisation...", p. 303.

NEO-STALINIST AGRICULTURE

The impact of transition in the neo-Stalinist countries was initially the reverse of that of Romania and Albania. Neo-Stalinist collectivisation had provided very significant benefits to the members of collective farms which they were reluctant to relinquish. There were few spontaneous moves to breakup farms and successor co-operatives tended to persist unless either there was an intense political campaign against them or the hard budget constraints of consistent market reforms were rapidly introduced.

In the Czech and Slovak Republics, most farms went through the transition process as prescribed by law but continued to function on a large-scale basis. Very little land or assets were taken out of the farms, although most people retained and very often increased the size of their small-scale household plot, which continued to act as an important source of supplementary income. In the Czech Republic this persistence of large-scale farming is recognised reluctantly as a fact of life and is not actively encouraged; and there are rather more private farms, both family and corporate, than in Slovakia. Slovakia, on the other hand, has effectively favoured co-operative farming since independence in 1993¹⁷ and family farming is less widespread. Private corporate farming is also less common, but because legal changes in 1995 allowed co-operatives to issue shares not on the basis of "one member, one vote", the distinction between co-operatives and private companies has become blurred.¹⁸ In both countries a lucky few have been able to obtain through restitution "residual estates" which are sufficiently large to permit viable farming in the 1990s. By 1994 co-operatives farmed 47.7 per cent of agricultural land in the Czech Republic and 69.9 per cent in Slovakia. Other corporate bodies (successor companies to collective farms) farmed 25.7 per cent and 4.6 per cent respectively, and private individual farms accounted for 23.2 per cent of land in the Czech Republic and 5.2 per cent in Slovakia. In the Czech Republic over 80 per cent of private individual farms were of less than 10 ha. In Slovakia 76 per cent of the fewer farms were under 10 ha. On the other hand, in both countries, around 2 per cent of individual private farms were over 100 ha.¹⁹

In the former GDR, the rapid introduction of hard budget constraints, the legal framework of the Federal Republic and membership of the European Union enforced rapid reorganisation. The Agricultural Adjustment Act of June

¹⁷ Iveta Námerová, *Private Farmers in Slovakia: Social Backgrounds and Conflicts over Resources*, University of Liverpool, Centre for Central and Eastern European Studies Working Paper, Rural Transition Series No. 45, September 1997.

¹⁸ Iveta Námerová, *Agricultural Protection and Agricultural Interests in Slovakia*, University of Liverpool, Centre for Central and Eastern European Studies Working Paper, Rural Transition Series No. 44, September 1997.

¹⁹ The figures come from OECD, *Review of Agricultural Policies: Czech Republic*, 1995, p. 91; Námerová, *Private Farmers...*, p. 3; and OECD, *Review of Agricultural Policies: Slovak Republic*, 1997, p. 71.

1990 introduced co-operative restructuring measures which were similar to those in other countries in the region, and post-unification amendments in 1991 strengthened the claims of outsiders and enforced reorganisation by 1992. As elsewhere, early support policies favoured new and "re-established" farms and many co-operatives failed to survive, but co-operative successor organisations and their representatives successfully fought a rearguard action to reduce the influence of previous owners in the regulations controlling the privatisation of previously nationalised land. In 1992, 44 per cent of agricultural land remained farmed by co-operatives, 28.9 per cent by companies, 13.2 per cent by individuals and 13.8 per cent by partnerships. Three years later the figures were 34.2 per cent, 23.4 per cent, 20.7 per cent and 21.7 per cent respectively. Although individual forms of farming increased in that period, over 50 per cent of them cultivated less than 20 ha.²⁰

In Bulgaria co-operatives were subjected to extreme political rather than economic pressure. Co-operative transformation or liquidation became one of the key elements in the disputes between socialist and liberal governments, and victory for the UDF government followed by its amended land law in 1992 enforced liquidation rather than transformation, in the face of staunch local opposition which resulted in the need for police intervention in some cases. The law also insisted, as in Romania, on returning the actual land lost within its "historic boundaries". Despite "liquidation" in 1992, many new co-operatives emerged from the ashes of collective farming. By 1995, when transitional forms such as "organisations under liquidation" disappear from the statistics, 52.5 per cent of agricultural land was farmed by individual farms, 40.8 per cent by co-operatives (which had all but abandoned livestock farming following liquidation) and 0.7 per cent by private corporate farms. The post-liquidation co-operatives, either "red" ("successor co-operatives") or "blue" (entirely new ones rewarding land and capital input more fully) were on average a fifth of the size of the socialist co-operatives, three and a half times more numerous, and with a large average membership of 244. In 83 per cent of villages, however, there was only one co-operative per village. The average size of individual private farms in 1995 was only 1.39 ha, however, of which 86 per cent were under one hectare, and only 0.2 per cent over 10 ha.²¹

HUNGARIAN AGRICULTURE

Like their counterparts in the neo-Stalinist countries, Hungarian co-operative farm members had a lot to lose by leaving the collective. The

²⁰ This paragraph is based on Volker Beckmann and Konrad Hagedorn, "Decollectivisation and privatisation policies and resulting structural changes of agriculture in Eastern Germany", in Swinnen et al, *Agricultural Privatisation...*, pp. 105—60.

²¹ In addition to the research mentioned in Note 1, this paragraph is based on Davidova et al, "Bulgaria...", pp. 23—62.

majority initial response, as in Czechoslovakia and Bulgaria, was to stay with the co-operatives and keep them together. However, in Hungary there were both political pressures (government campaigns against co-operatives and their managers) and economic pressures (assiduous enforcement of bankruptcy legislation which came into effect, as did co-operative transformation legislation, in 1992) to enforce change. Hence, to a greater degree than in the Czech and Slovak Republics, the co-operative transformation process became one of co-operative break-up. But, unlike Romania and Bulgaria, assets were not destroyed or abandoned. They were used rather by management as stepping stones in the creation of private, very large-scale successor farms. At the same time, some who had already established significant private farms on the basis of "second economy" household plot farming in the socialist years followed the model of the Polish "specialist farmers" of the 1970s and expanded further. Nationally, by the end of 1994, 31.7 per cent of land was farmed by co-operatives, 35.9 per cent by private corporate farms and 32.4 per cent by individual farmers. Of individual farms larger than one hectare, 90.6 per cent were smaller than ten hectares. The general picture at the village level is of from one to ten families per village with farms that cover more than subsistence, and three to four families at most which are embarking on large-scale commercial farming. For the remainder, the vast majority, the plot is for self-supply.²²

CONCLUSION

This paper has shown how the socialist experience of collectivised agriculture has had an effect on the pattern and pace of agricultural transformation in Central and Eastern Europe. The socialist experience, whether "Stalinist collectivisation", "collectivisation abandoned", "neo-Stalinist collectivisation" or "Hungarian collectivisation", had a significant impact on whether or not collective farms were liquidated or transformed, and on the parameters of large-scale and small-scale private farming.

Despite these differences, there are remarkable similarities in long term trends. With the exception of Albania, what is emerging is an agriculture characterised by a dual structure. On the one hand, there is a sector of very large-scale former socialist farms run, in the main, by members of their former management, and, increasingly, as private companies rather than co-operatives. The trend towards private companies is furthest advanced in Hungary and Poland, but there are indications in the Czech and Slovak

²² For a full account in English of Hungarian agricultural privatisation, see Nigel Swain, *Agricultural Privatisation in Hungary*, University of Liverpool, Centre for Central and Eastern European Studies Working Paper, Rural Transition Series No. 32, June 1994. The figures come from *Az élelmiszergazdaság 1994. évi fejlődése*. (The development of the food economy in 1994), Budapest, Central Statistical Office, 1995, pp. 43 & 47 and *A mezőgazdaság 1996. évi fejlődése* (The development of agriculture in 1996), Budapest, Central Statistical Office, 1997, p. 22.

Republics that the same process is beginning to develop. In Bulgaria and Romania the move towards private ownership is less evident. Farms have retained the co-operative form and are building on the ruins rather than the achievements of socialist agriculture.

The other half of the dual structure (and this is all that exists in Albania, but is also by far the majority form in Romania) is a very small-scale agriculture oriented towards self-supply. Where possible this agriculture is part-time and supplements a non-agricultural income or pension. Where unemployment is high and long-term, it becomes truly subsistence farming. The bulk of all agricultural activity everywhere in Eastern Europe takes place in these tiny units where commercial considerations are of secondary importance.

But the medium-to-large-scale family farm, the "family farm" of much political rhetoric, is everywhere uncommon. It appears to be virtually unknown in the Balkans, and is the exception in Central Europe. In Hungary some farmers formerly active in the "second economy" expanded their farms significantly to create "family farms". In the former Czechoslovakia a lucky few have obtained former "residual estates" under restitution which are large enough to be viable family-run farms in the conditions of the 1990s. In Poland, too, some private farms have developed to become medium-sized family farms mainly by acquiring former State Farm land. Only in the former GDR do the figures suggest a possible trend towards "family farms", and this is perhaps because it already benefits from EU subsidies which were premised on this size of farm.

This persistence from socialism to post-socialism of a dual structure for agriculture in which large-scale farms (although their ownership and employment levels have been radically changed) coexist with extensive subsistence and self-supply farming, taken together with the relative absence of the "family farm", has far-reaching implications for agricultural support policy.