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Decollectivization Path in Central Europe: towards Which New Models?

In less than half a century the rural societies of Central Europe will have gone through a series of major breakdowns: land reforms, collectivization and decollectivization. Begun after 1989, the decollectivization of State farms and cooperatives fits into the scheme of an absolutely exceptional socio-political context because of its suddenness and scope, the downfall of communist regimes and the political and economic transition. Even if the process remains unaccomplished and its outcome still uncertain, the break with the collectivist model seems to have been completed whether its social forms which characterize it have simply been liquidated or have undergone a deep transformation in the way they operate. The change of the agrarian structures does not only proceed from privatization and re-organization policies implemented by post-communist states. Social forces working towards continuity can be opposed to changes stemming from political will.

Which forms of production are called to succeed the collectivist model? Business-like agriculture of the cooperative type or capitalist agriculture with wage-earners, or family farming consisting of middle-scale and small-scale subsistence farms? The main question is about the filiation of the social forms of production that can be located in post-collectivist agricultures. Where do they stand regarding the previous forms and in what way are they the testimonies of a kind of continuity or on the contrary of a breakdown compared with its precursors? These questions put the social actors who are likely to take charge of the reconstruction process at the centre of this analysis. The social forms do not appear or disappear at will, their creation proceeds from mechanisms of reproduction and adaptation whose rules still have to be explored. During their genesis the "agrarian revolutions" (this word understood in its broad sense and in this case also applied to collectivization as to the opposite process of decollectivization) could be identified with sudden variations which would be able to trigger off genetic mutations through a series of mechanisms of adaptation. The disappearance of the collectivist model which had standardized the ways of cultivating the land in "the other Europe" has given way to a real diversity of social forms

with various geographical scales. The very diversity of the reconstruction paths of social forms as highlighted by our team's research¹ during 1991—1994 leads us to develop a comparative approach of the agrarian paths.

I. In the long run of history: agrarian legacies and foundations

The influence of the structural legacy of the collectivist model was pointed out by most of the authors especially to give an account of the observed phenomena of inertia. The characteristics peculiar to the national variants of the model made it possible to draw a balanced picture of the "initial conditions" from which transition in the farming sector was completed. These explanations seem to us inadequate to understand the extent of the differences of the decollectivization policies observed *de facto*. Other factors seem to have played a role revealing the sign of older differences some of which appear to be rooted in the distant past. The collectivist model over-imposed its mark on agrarian structures that were believed to have disappeared whereas they were simply buried in the depths of memories. Decollectivization does not simply raise the question of reversibility but questions us about the phenomena of remanence affecting the agrarian structures.

Central Europe knew "the second period of serfdom", this Europe was the one of the great nobiliary and of ecclesiastic property, of the late and unachieved setting up of a peasantry independent in its work and owner of its lands. This agrarian organization had an impact on the political and social evolutions² in this part of Europe and on the interpretations that could have been given of it. From the 1920's until the immediate post-war period, agrarian reforms tried to substitute a model of small peasant ownership for a large estates system. The mark of this agrarian system was all the more powerful as the reforms were precocious and of wide scope. The agrarian reference asserted the role played by the peasantry in the forming of national identities in Central and East European countries that had come to existence at the end of the 19th century and during the 20th century. Thus the destiny of the peasantry hung heavily on how parliamentary government democracy had developed in the new independent states.³ As opposed to Western Europe which underwent progressive structural changes, Central Europe, during

¹ This research work relies on surveys made in the field and within the framework of transition "observatories" concerning the rural areas in Hungary, Poland and the Czech Republic. Carried out in cooperation with researchers of these countries (I. Bočková, M. Halamska, H. Hudečková, K. Kovacs, E. Piotrowska), these works have been the subject of many publications mentioned in the bibliography. In this article the analysis deals exclusively with the recomposition of the Hungarian and Czech agricultures.

² The signs of this agrarian organization affected the social conflicts in the countryside when the 19th century reforms paved the way for the emancipation of the peasantry.

³ Barrington Moore, *Les origines sociales de la dictature et de la démocratie*, Maspero, 1969.

the past fifty years, went through "land revolutions" disrupting the ownership and the ways of running the land. This Europe refers to other traditions of social conflicts and relies on other agrarian foundations. From the 1950's, collectivization challenged the advances of the peasant model in Central Europe. A political will tacked a collectivist model on social realities which sets an undeniable resistance against it, though of a variable intensity depending on the countries.⁴ Our research project has tried to recreate the socio-historical paths which go from post-war agrarian reforms to the late processes of decollectivization. The retrospective analysis has allowed to show how the ethnic and social setting up of local communities, and the degree of consolidation of the peasant farms have created some decisive factors of the terms for moving from old agrarian structures to collectivist forms during the 1950's.

Under a seeming uniformity of the land organization the collectivist model has progressively moved away from its original norm to acquire national specific features. The rural territories are the keepers of the terms of civilization and ways of life. The collectivist will of standardization came up against the resistance of local societies⁵. The same structures could not be imposed everywhere, some forms of adaptation appeared as a kind of answer coming from local societies to the pressures imposed by the collectivist model. For that reason the collectivist model was not present in an unequivocal way but under various forms according to the countries and places. Considerable differences existed concerning the ways of organizing the work or the place granted to the small auxiliary plot and to its place in the collective economy. These could be observed from the salaried employees of the state farms to the "wage-earner peasant member of a cooperative" some identities and well-differentiated social status structure the farming society of Central Europe. Between the peasant original model at the one end and the model of the farming workforce at the other, a peasant identity loss is taking shape. Neither the sheerly original model which has almost totally disappeared nor the sheerly ideological figure of

⁴ Particular mention must be made concerning Polish farmers, the only ones to have thwarted permanently collectivization's plan by refusing its two fundamental aspects, the loss of independence in work and of the land's individual property. Their resistance relied on a deep solidarity of peasant society, on the creation of a social conscience and on the existence of a tradition of struggle. It is a well established fact that a peasantry with its own culture and way of production exists in Poland. (Halamska, 1991).

⁵ Collectivization developed more easily when applied to social groups without a peasant background or whose traditions were not well consolidated. Right there where a large aristocratic ownership existed before the war, the local society was deeply destabilized by the social conflict which went with the lands sharing collectivization. This context of the local history is a key element to understand the social paths. The role of the social background, of the family history also appear as significant factors of differentiation. It is the continuity of the system of values passed on by the family which makes the peasant.

the worker can be met in reality. But the elements which characterize them go together in an original manner contributing to define dualist identities.

II. Actors and mechanisms of decollectivization

REPRESENTATIONS AND MENTAL MODELS

We have been trying to see the position of the social actors at the beginning of the transition concerning the question of the agricultural model's change. Which mental models did their system of values and representations bring them to? Which social forms of production were they to turn to? Investigations carried out in 1991 allowed us to characterize the behaviours facing the collective farm privatization (degree of commitment to collective property and work)⁶. We limit ourselves to underlying the most significant lessons concerning the behaviour in relation to the imminence of transformation. The commitment to the collectivist model seems to be prevalent for reasons due to the preservation of the social benefits (job and income security). It looks like a convinced support for the collectivist values system (egalitarianism) among the staunch supporters (representing at least one third of those polled in the Hungarian fields as compared to the Czech ones). The absence of conception of the transformation to come characterizes the less qualified workers. Those who are less opposed to the collective farm privatization are led by an aspiration for a kind of re-taking over of the collective goods by the working community they form. The idea of a sharing based privatization is found among the members of cooperatives as among the employees of the state farms in fluctuating ratio according to the survey's areas (from a quarter in Hungary to two-fifths in the Czech Republic). The example of the cooperative consisting of owners responsible for their goods or of the corporate farm based on the workers' shareholding are raised by those called reformists and who consider themselves committed to the necessity of an improvement in behaviour at work (responsibility, profit-sharing). The return to independent farming seems to be a minor fact both among Czech and among Hungarian farmers. But we have to specify the kind of mental model we are talking about: a farm close to the traditional peasant type with a modest area (under 20 hectares and most of the time under 5) or a fairly good-sized farm coming with an entrepreneurial investment project. The model of "the agricultural enterprise" is almost absent. The latter is found among a small group of Czech farmers, mainly consisting of technicians and specialists. Those opinions which

⁶ The results of the surveys made in the autumn of 1991 among the workers of some cooperatives and state farms in each of both countries, were the subject of several publications to which the reader is referred. See Marie-Claude Maurel, *Terre, capital, travail. Vers de nouveaux rapports sociaux en Europe centrale*, Cahiers internationaux de sociologie, Vol. XCVI, 1994, 7—32 and Hugues Lamarche, Marie-Claude Maurel, *La transition agraire en Europe centrale*, Etudes rurales, avril—décembre, 1995.

have just been briefly described may influence the social actors' choices at the crucial moment when the imminence of the redistribution of agricultural assets opens a possible future, quite a new situation in the history of these agrarian societies.

The very distinct phenomena that took shape in the collectivized agriculture which the polled persons belonged to can be connected with the family paths and the sociocultural determining factors of those persons. If the willingness to revive a family tradition interrupted by the collectivist period is clearly displayed by a whole group of farmers and can further the revival of the family farm, the aspect that this project can take relies on other factors on which the access to the know-how and abilities depend. The socio-professional setting up of the group that was spotted as potential "entrepreneurs" is significant. Professional abilities and managing capacities are the qualities necessary for the specialists and technicians of the collectivist farm to go into the creation of an independent farm. Generally well-trained they are more open to the new ideology of the private enterprise than the workers restricted for a long time to the task they had been given. They form the breeding ground for new farmers of the entrepreneurial type. On the other hand, the group supporting the "peasant" model is recruited among manual workers. It is significant that more than half of the polled farmers in the special cooperative of Jakabszallas (Hungary) who develop small family farms integrated into a cooperative structure, belong to this group. This "peasant" model that many persons consider as being obsolete (this was often said during the interviews) has the advantage of being able to be resurrected at lesser cost because it is close to the subsistence model of the auxiliary plot to which it had been reduced by the collectivist system. It can work as a safety model for all the losers of the transition in so far as it does not require either special abilities or special capital.

Two series of social determining factors can deflect the individual paths toward one or another agricultural model, the possession of an economic capital whether patrimonial or not and the possession of a cultural capital seen as a set of abilities and skills favourable to innovation.

A GRADUAL, NEGOTIATED AND SUPERVISED DECOLLECTIVIZATION

Decollectivization refers to pre-collectivization and introduces the notion of stepping backward, of a possible return of assets to their former owners. The meaning of what could be seen as an attempted return to the previous social order is ambivalent. What social model did they wish to revive? The social order of "the Europe of the great estates"? Or the ideal of a small peasant owners' society which was popularized during the interwar period by the agrarian ideology? Did they have to refer to the previous period or to the one following the agrarian reforms of the immediate post-war period

which had brought about a redistribution of the land that benefited the peasants who had for a long time been subjected to the domination of great landowners? Nowhere else in Central Europe, at least so openly, have people dared to come back to what is thought in retrospect as a founding principle in these rural societies, the agrarian reform. This is the ambiguity of a returning process which emerges as a social restoration of the owners.

By redeeming private ownership, the transition paved the way for an inevitable land reappropriation and put these agricultures in a real position for agrarian reform. Bearing in mind this unique event in the history of European countries, these states do however, enjoy the use of a great landed capital that they can reallocate within the framework of the privatization laws. By reallocation, one first has to understand the restoration of the full rights of ownership (in the legal sense of the word, which means including *usus fructus*, and *abusus fructus*) deprived of any operating nature by collective running. First of all, this applies to the cooperative members who having officially remained the owners of their assets, at least in some countries, lost the use of it when they joined the collective structures. But the question also matters for all the former owners who were deprived at one time or another of their assets by the communist regimes. This question presents the new governments with a difficult choice of the highest importance: the determination of the reallocation terms and of the reform bases. The choices are limited. Either the reallocation is based on the "entitled", that is to say the original owners or their heirs, and on all the people who through their work contributed to the accumulation of the fund capital, or it relies on those using these assets or are willing to do so. These two options proceed from the very conception of the reform that people wish to implement. In Central Europe, they sparked off a major political debate opposing social interest forces which put pressure on the representatives in Parliament and on the authorities in charge of the development of privatization laws. This balance of forces unquestionably had an influence on the agendas and on the definition of the reallocation terms of lands and assets. Driven by an overall will of transforming the economic system, decollectivization was launched by social forces unrelated to the agricultural world and made its way within a process supervised and negotiated by the political forces. The analysis of the political debate terms on the laws ruling land privatization reveals a clash between two conceptions of social justice. One relies on the notion of material and moral compensation to ask for the return of assets to their former owners, and results in reprivatization. The other refers to a concern for equity and involves giving everyone his dues (that is to say the acknowledgement of him taking part in the build up of the collective ownership). As a general rule, the system of giving shares of the former cooperatives' land capital relies on the work contribution standard, according to variable proportions in each country. The sharing

proceeds from a concern for a fair compensation of everybody's work. A form of "distributive justice" can be seen in the implementation of this principle of social equity. "Compensating justice" and social equity are not easy principles to conciliate, they both inspired procedures of reprivatization of lands and assets. By reestablishing the former ownership rights on land and by basing at least partly the sharing of assets on the initial investment, the reallocation of the production factors brings a powerful dimension of social restoring. Even if the principle of "to each according to his work" is taken into account, its role in the allocation of the collective property is seldom exclusive but most of the time linked with the principle of "to each according to his investment" in a variable proportion and according to complex terms.

If the principles which establish assets and land reallocation first create a vital lead to analyse the decollectivization, the real terms of its implementation seem to be even more discriminatory. One ought to take into consideration the nature of the relationships taking place at the end of the process of the ownership rights' distribution between capital and work.

In Central Europe, decollectivization improved gradually. Some land planning disposals were foreseen by the law to limit the unfavourable repercussions of the land reallocations on farming structures. In 1994, in the Czech Republic, half of the farming area was run by owners' cooperatives. However, besides those forms of farming together the reallocations allowed the setting up of individual farms whose lands (at least those which are in direct farming) are generally regrouped in fairly good-sized plots. The structures of the new individual farms (one-fifth of the agricultural area in 1994) are far from the splitting up seen in other countries. In Hungary most of the landowners just had their plots registered without delimiting them and rented those lands to the post-cooperative farms. The auction sales of the compensation fund's lands could, at the local level, result in land parcelling which might turn out to be harmful in the future. The results of delimiting plots could be overcome within the framework of land concentration processes led on the initiative of cooperative officials with the agreement of the lessor owners.

The same remark can be applied to the terms of the fund capital's distribution. The collective farms devoted themselves to precise if not accurate estimations of their capital before carrying out the calculation of property shares, depending on criteria strictly defined by the legal system of transformation and under the control of the assignees or of their representatives. The proceedings of the withdrawal of shares in the form of physical assets contributed to weakening the capital of the entrusted farms but without taking on the destructive aspect of the "spontaneous decollectivization" which took place in Balkan Europe. At the other end, serious blows were struck at the fund capital of the former state-controlled

sector. In the Czech Republic, as in Poland, the privatization of State farms carried out by the ineffective and distant control of the State (or of its agencies) was similar to a real selling-off of the public ownership.

III. The restructuring of the production social forms

THE RETREAT OF THE "SUCCESSORS" COOPERATIVES

Predominantly transformed into owners' cooperatives and endowed with new status the former collective farms underwent a real economic and social shock. The hypothesis that the restructuring plan varies in large part according to new social relations that the reallocation of the ownership rights on the land and on the fund capital contributed to establish, will be put forward. Through the surveys in some Czech and Hungarian cooperatives we tried to locate the strategies of the actors' groups and their implications for the mechanisms of economic micro-adjustments on a local scale.

As far as their interests and their abilities to promote the restructuring plan are concerned the groups of actors seem to be distinct. Briefly, two groups of collective actors can be noticed, the owners and the workers who only partly overlap, and a group of individual actors, administrators whose strategies can be analysed through the project of transforming the cooperative and through the implemented forms of reorganization. The transformation processes peculiar to each country contribute to re-orientate the social relations within the cooperatives.

In the Czech cooperatives the ownership rights on land, on the one hand, and on the capital, on the other hand, were given to social groups lacking in interest and ability to highlight them. The "outsiders", who are widely the majority among the entitled, did not all intend to participate in the process of transformation. Only a small number of them brought in their property shares to the new cooperative's registered capital, the others would rather keep out of the problem expecting that they could recover a patrimony whose value was often limited. The small investors' strategies that prevailed reveal a certain passiveness on the part of landowners, who are quite old and who sometimes live quite far away and whose ability to organize themselves happens to be fairly poor. If leaders emerge, these are generally people with a good standard of training and/or a property share whose importance justifies their personal commitment. Often being in a marginal position because of the allocation system of property shares, the workers are no more likely to promote the structural transformation. A contract of employment rules their salaried job. Very attached to the benefits of the former system, their attitude to work seems to be distorted by the lack of motivation and sense of responsibility, and employment cuts have not yet been able to change this state of mind. The group of workers being both members and owners hardly seems more motivated, the salaried job appears to be more important in their opinion than

a hypothetical profit. From now on, the fact of being a member of a cooperative is no longer a guarantee of a job. Considering the frustration of the workers and of the owners the administrators' role promises to be decisive. They strengthened their ability of making decisions, having at their disposal the right of hiring and firing people including cooperative members. However, all the former officials were not qualified to implement the process and then being re-elected as leader of the same business can also strengthen the feeling of inertia. When more dynamic elements manage to take over, the change of direction reflects a new balance of power.

In the Hungarian cooperatives the balance of power hardly seems more favourable for the actors likely to take charge of the restructuring plan. The system of allocation of the fund capital favoured the retired members, the former members and their heirs whereas the active members are a minority. The retired and the "outsiders" would like to withdraw their property shares but the measures forbid them from doing so now, the active members would like to state their intention to buy them but they cannot afford to do so. The retired whose incomes were undermined by inflation are interested in the regular payment of the land rent and in the paying out of dividends whereas the active members would like to have their salaries improved. The workers' awareness facing the recent evolution is slowly taking shape. The most dynamic ones and often the most qualified were the first to leave the cooperative. The others preferred to wait and hang on to the job and the salary given by the cooperative. Lacking in start-up capital, without any competence for independent work, most of them are not ready to become private farmers. In this crisis situation, administrators can act as arbiters or try to manipulate general meetings (attended by a majority of retired people) in order to defend their own interests and positions. If their level of professional training is quite good, their technical qualification is often too narrow and they do not always have the "managerial" abilities required to start the restructuring plan of the farms weakened by the first shocks of the transition toward the free market economy and to reshape the commercial and productive strategies. But financial and economic recovery depends on their personal dynamism and perspicacity.

In both Hungary and the Czech Republic, many cooperatives are weakened by the tensions between interest groups. Destabilized by the procedure of privatization, some Czech cooperatives were drained by massive withdrawals of goods. The conflicts led to the division in smaller-sized units or to the break-up of the cooperative structures in most cases. A tendency to the splitting up of the large farms inherited from the collectivist time can be observed both in Hungary and in the Czech Republic. Restructuring can take place on a territorial basis, so when the cooperative is divided into new units on the basis of village districts or on a functional basis, when small private companies are created within a holding type structure.

The main impression is of declining activity. The strategies of adaptation have a slightly offensive and timorous aspect. Under the impact of the restitution process in the Czech Republic, of the lands' auction selling in Hungary (however many buyers decided to rent them to cooperatives), of withdrawals in both countries, the farmed areas decreased. The lands are rented to a large number of plot owners (about one thousand in some cooperatives, which does increase the difficulties of administrative management) and to whom the cooperative is not always able to pay the forecast land rent. The decapitalization process weakened their production potential. The Czech cooperatives had to return the stocklist of the living (livestock) and the dead (machinery) to the former owners who asked for it (in theory to use it for agricultural purpose but most of the time the livestock was sold to slaughterhouses), many of the cooperatives had not returned the property shares to those who did not want to bring those shares in the capital of the new unit. The Hungarian cooperatives had to negotiate the retrocession of capital assets or livestock, when some of their members went away in 1992. The splitting-up operations, withdrawals or selling-off would have affected at least 15 to 20% of the collective property.

In numerous cooperatives, the way of functioning has remained unchanged. The adapting strategies were devoted to the cut down in cost production and the lay-off of the labour force (between one-third and half of it compared to the 1990 level)⁷. The activities were refocused on the most profitable productions, the diversification of the farming systems and "soft" technologies were introduced, these innovations came with compensatory measures on the part of the Ministry of Agriculture. The volume of agricultural production and productivity have slightly decreased compared to the years preceding the transition. The reorganization was limited to the abolition of advantages and services provided to members and to local collectivities and to make the non-agricultural activities (mending, transport, construction) more autonomous in the form of private limited companies or of leasing. Many cooperatives are threatened with bankruptcy.

THE REBIRTH OF FAMILY AGRICULTURE

After a break of several decades, the revival of agriculture consisting of independent producers is not easy. The process still has a limited impact. Two series of conditions which happen to be partly associated, can account for this. Some come from the terms of the production factors' reallocation carried out by privatization, others have to do with the very weakness of the social factors which are likely to carry out the revival of independent farms thanks to their conception and their practical experience of being

⁷ In the Czech Republic the number of people working in cooperatives decreased from 375,232 in 1989 to 167,258 at the end of 1992, i.e. a 44.6% decline.

farmers. The analysis attempts to comprehend the social forms of production in the complexity of social logic behind them. These forms come from an original model⁸ and cast themselves in the future in relation with a mental model.

THE SURVIVAL OF THE FAMILY MICRO-FARM

This social form is particularly active in Hungarian agriculture. Being favourable to individual initiative, the Hungarian system allowed the creation of almost one and a half million small producers. For many of them, the "second economy" worked as a training matrix of the enterprising mind allowing the piling up of a small fund capital (in the form of livestock, buildings, greenhouses, farm machinery) and the purchase of a real technical ability. Established on plots given to cooperatives' members and employees, these auxiliary farms now work in other conditions as far as their status and socio-economic environment are concerned. If the limits which were entitled to impede their expansion were abolished in reality, the land piling up is confronted with significant difficulties. The possibilities of the cooperatives withdrawing, the opportunities of land buying within the framework of the compensation law allow to foresee their broadening. But the lands likely to be reclaimed by those means do not allow the setting up of viable-sized independent farms. To build up sufficient land capital to start with you have to be able to buy or rent land. But the land market is not yet sufficiently developed and most of the farming households do not have sufficient savings to buy land. Other factors happen to make the transformation of the small auxiliary farm risky. If Hungarian farmers generally benefit from good technical knowledge, they are aware that they have not mastered the set of knowledge and abilities that they would need. It is particularly true when it comes to putting products on the market. Auxiliary farms were helped by cooperatives which took care of the input supply and of the distribution and sale of their production. Small producers are now directly confronted with a market whose operators and networks they do not know. The disappearance of the traditional distribution and sales circuits, the absence of information on the farming market make the opening for their production very unpredictable. This situation affects the animal production sector which provided the bulk of small agriculture income. However, in some cases the existence of farm-produce companies which carry out the contractual integration of these small producers allows the development of battery-farming (i.e. poultry, for example). But most of these farmers find themselves in unfavourable conditions and have no other

⁸ The breaking down of the agrarian history in Central European societies testifies to the multiplicity of original models: large estates, peasant type family farms, auxiliary farms of the market type or of the subsistence type, etc.

alternative than to come back to self-sufficiency production playing a significant role for those who have lost their jobs (farm wage-earners, peasant-workers) or those whose earned income has diminished. These small producers might bear the brunt of the Hungarian agriculture structural transformation and might have to progressively withdraw from the market economy. From this network of micro-farms a scenario of family agriculture development, based on deep connections between land, capital and work as in the Western model, is not likely to be carried out for the time being. Neither the conditions of access to the market nor those of granting an installation loan favour the creation of a middle-class family farmers' sector.⁹

THE RECONSTITUTION OF FAMILY FARMING

Family farming is making a shy come-back in difficult economic conditions. The free-market ideology which underlies the transition toward a market economy creates a favourable socio-political atmosphere. But this option does not come with the implementation of financial means likely to help the setting up of new agricultural entrepreneurs. The prevailing liberalism especially in the Czech Republic implies allowing the free play of the market to carry out a selection among the most competitive types of company. In these conditions farmers who go into business can only rely on their start-up capital and on their own strength. Either coming from a single person or more frequently from a family group, the setting up of an independent farm implies a project carried out by a mental representation of the farm in order to put the production factors likely to be called upon in touch: land, fund capital, family labour force. The re-taking over of a family patrimony which is the starting point of the setting up project is a significant component. The restitution process of lands and livestock played a decisive role in the reallocation of family farms in the Czech Republic. On the spot where fairly good-sized farms had settled as early as the interwar period, the descendants of this peasantry who were once wealthy can assert that they have at their disposal a land basis (from ten to thirty hectares in the Polabi basin, in Central Bohemia, on which the field work was focused)¹⁰ and a noticeable fund capital (that might be worth a million crowns) to realize their project. From there a process of land accumulating, by renting lands removed from cooperatives, can be foreseen relying on an investment strategy. Among most of the new family farmers polled the

⁹ It is estimated that the number of farms cultivating from five to sixty hectares could reach 40 to 50,000 units within the next five years. But an efficient farm requires besides viable size, capital of about 8 to 10 million forints, which are unattainable conditions for the vast majority.

¹⁰ The analysis relies on a close observation of the families who had stated their desire of rebuilding a farm as early as the beginnings of decollectivization. At first there was a common point: their desire of re-taking their goods and the project of recreating a family farm. Three years later, the set up farms differ both in size, degree of equipment and even in their logic of economic functioning.

setting of a fund capital is the top priority which mobilizes all the coming in of ready money to be immediately re-invested. The best informed try to get loans. The construction of new farm buildings and the buying of machines (new or second hand) come as much from a desire of consolidating the work tool as from the assertion of a new social status. It is not so much the importance of the start-up capital, most of the time the returned family patrimony, which differentiates the farmers as their ability to fit in the free market economy. Apart from farms committed to market logic, resorting to loans to invest, it is not unusual to witness the setting up of farms using polyproduction turned toward self-consumption. The subsistence logic which underlied the small auxiliary farm during the collectivist period has been maintained on some rebuilt farms and the practice of self-consumption remains basic among most of the households. It is the relation between marketable and subsistence production which seems to be discriminatory as well as the methods of marketing. A group of farmers produces to sell and try to diversify the products and the sale circuits, others content themselves with selling poor surpluses through direct selling (relatives, neighbourhood, retailers).

The new family farmers do not form a homogeneous social group. Several mental models are seen in their representations and help to channel the piling up strategies and productive logic. The farm working in a peasant logic is one whose genesis is most ambiguous. It takes its historical references from an original peasant model that the collectivization had tried to eradicate but that the subsistence logic of the auxiliary economy involuntarily contributed to implant. The chances of seeing viable farms growing on the basis of this kind of project are small but the capacity of resistance of this social sector in the context of pauperization which affects the Central-European countryside must not be underestimated.

The modern family farm in this marketable logic was, until now, an unknown model in those societies. In this sense it must be a mental model based partly on the mythical image of the Western farmer (either the British, American or Dutch farmer, only to quote references mentioned by Czech farmers). This model requires entrepreneurial and professional abilities that only a small group being recruited from the most qualified farmers and specialists is likely to implement.

THE APPEARANCE OF BUSINESS FARMING

Setting up business farming does not take place *ex nihilo*. This implies the mobilization of substantial capital and the implementation of managing abilities which can, in some cases, have origins unrelated to agriculture. These can be partnerships but the new structures often take on the aspects of a "company", generic term referring to various legal forms of company (joint-stock company, private-limited company,...). They were able to take

over from large state farms which were subjected to privatization slightly different from the procedure of transformation applied to cooperatives. The legal solutions implemented are extremely different. Some common points can be stressed. The lands are not generally acquired by the buyers but are rented from ad hoc state institutions (Land Department, the Agency of Agricultural Property), waiting for their legal status to be clarified (in the case of returns) or waiting to be put up for sale. The uncertainty of the land legal status is moreover a factor of the restructuring plan's slowing down. Large farms are subjected to a division into units of production of more viable size (a few hundred or one thousand hectares). Buyers are recruited within the group consisting of former leaders and former executives of intermediary level from state farms. To build up social capital necessary for the buying of assets (equipment, machinery, livestock) they try to get together and include a part of the staff but they generally have to borrow in order to get the necessary amounts of money (preferential credits and a setting up loan can be granted by the State). Among the buyers of state assets put for rent or for sale, the "specialists" (agronomists, animal technicians, engineers) took advantage of their position to take over the part of the fund capital whose development looked promising. This same kind of strategy can be found among the executives of cooperatives which were dissolved or subjected to a massive withdrawal of assets. On the basis of small interest groups they organized themselves to buy equipment at the best price put up for sale by auction or to get a set of assets forming a technical unit. Besides, they tried to buy lands (with property bonds bought up at a giveaway price from retired people in Hungary) or to rent the lands of owners too old to build up fairly good sized farms. To defend their interests as producers they are looking for new concepts (partnership, cooperative) to realize together some transactions or productions to offer on the market larger and more homogeneous batches (pig and poultry production, fruit).

This business farming resorts to waged work but an obvious tendency toward staff cuts is taking shape. The will of many of these new agricultural contractors is to substitute capital to work as they will be able to invest. One cannot rule out that this kind of structure, still very heterogeneous in form, will evolve either toward a form of collective agriculture or toward a family business model which will associate capital more closely with family work.

Thus entrepreneurial strategies which are due to the technological and executive former elite are emerging. The junior executives who are generally well trained, still young, and frequently dedicated to the new ideology of the private company form the best qualified socio-professional group to create the social basis of business farming. Succeeding the "great estate of the old days" and the state farm, this kind of "corporate farm" will have to

ensure the return of invested capital as well as that of waged work to be able to grow in number. That is where the real unknown concerning the future of business farming in the transitional economies stands.

CONCLUSION

By drawing a parallel between the Hungarian and Czech cases we wanted to underline what they had in common with and what made them different from the upheavals seen in other countries. Far from taking on the appearance of an uncontrolled and brutal dismantling of the collectivist structures, decollectivization embarked on a course of a complex process of property rights' redeployment on land and fund capital. The decollectivization of farm work has begun but remains unachieved as long as the old way of organization continues under neo-collectivist forms. The agrarian changes which appear less drastic than in other countries promise to be a large-scale phenomenon. They are about a massive transfer of lands into the hands of private owners. At the end of the fulfilment of the returns and of the land selling, a minority fraction of the farm area should remain the property of the State. The scattering of land property resulting from it did not result in a comparable splitting up of the farm structures. The legislation clearly established the land renting rights. Still, the reconstruction of a land market is slow.

The transformation of collective into private farms was not the prevailing path, at least to begin with. Most new owners preferred to opt for a cooperative structure that was considered to be both safer and less demanding in terms of personal involvement. If by their internal organization the owners' cooperatives look very similar to their precursors, they are required to start a process of adaptation under market pressure. Having become a reality the risk of bankruptcy forces them to undertake an active restructuring plan. The cooperatives coming from the redeployment of property rights should only be a transitional step of the reconstruction process.

By adopting an approach which gives the social actors a crucial role and by tackling the question of the factors' distribution between the entitled groups and their ability of taking care of the structural transformation, the "endogeneous" variables of the decollectivization process were deliberately favoured. This does not mean that the "exogeneous" variables likely to alter the place and the forms of the restructuring plan are disregarded. At medium-term the political choices concerning economic strategies will be conclusive. From this point of view, the weak impact of the agricultural sector in the Czech economy, its leaning toward the domestic market as well as the low unemployment rate are significant assets for a quick agricultural restructuring plan relying on a liberal model. Hungarian agricultural policy has to take into account the most difficult socio-economic constraints to manage. The competitiveness of a sector largely dedicated to exports can

justify a policy of weak support for agriculture. But the breaking up of a large number of cooperatives, the quick decline of the labour force¹¹, the return of small producers toward a self-sufficient activity led to the destabilization of the countryside. Through a land reallocation which takes on the aspect of a "second agrarian reform", it is the "peasant question", structural data engraved over a long period of time which hangs over the future of Hungarian farming.

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¹¹ In three years, from 1990 to 1993, the average number of agricultural sector workers recorded a 59% drop.

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