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## **Will They Find Jobs in Agriculture?**

### **Introduction**

The transformation of Czech agriculture has both supporters and adversaries. Anyway, some necessary steps have been taken and the irreversibility of development is obvious.

Besides processes with long-term impacts — the population migration from rural areas and depopulation of small villages — which take place all over Europe and are not related to any specific political system, other social processes appear as an immediate reaction to transformation changes. They originate in the removal of vertical and horizontal barriers of social mobility with positive consequences for the active and qualified part of the population on the one hand, and on the other hand a negative impact on the groups with less favourable preconditions for personal development, no matter whether the qualifications were limited for subjective or objective reasons.

The labour market in agriculture has undoubtedly undergone major changes and the recent development in the jobs supply raises the question whether secondary schools and universities can adequately respond to the changes.

### **Development of Employment in Agriculture**

Czech agriculture is of a typical Central-European production type with a high intensity of land cultivation. This fact has always influenced its development production structure, type of settlement and natural environment in rural areas.

Before World War II private farms prevailed in Czech agriculture. After the communist coup in 1948 farm enterprises were violently collectivized, continuity of development was interrupted and a market economy was replaced by a centrally planned and directly controlled economic system.

Farm labour was gradually transformed from farmers to farm employees, including all the consequences of that organizational change — loss of

control of the organization of the production process, the predominance of central control and the loss of the possibility of deciding about one's own destiny and that of one's family.

There were 902,035 full time workers in agriculture at the end of 1989. About 72% of them worked in co-operatives, 18% on state farms and 10% in other farm enterprises. There were less than 0.5% private farmers. Concentrated agricultural production was focused on food sufficiency of the country and surplus production was supported by high subsidies and caused economic losses because a considerable part was exported to the socialist countries on terms which were disadvantageous to us.

A fairly complicated management and organization of large scale agricultural production demanded high numbers of administrative and managerial staff at all levels. A growing demand for professional education created a permanent demand for young qualified labour. The demand was not regularly met. Graduates from secondary schools and universities could easily find jobs in industries outside agriculture due to their broad and good qualifications. Other industries were attractive not only due to higher salaries but also because of other advantages, e.g. housing.

There were several major changes after 1989 which influenced employment in agriculture. The first phase of withdrawal of the labour force from agriculture in 1991–1992 included first of all employees at retirement age, craftsmen and other workers in non-agricultural professions who could easily find new jobs: active, entrepreneurial people who started their own businesses, as well as employees with low work discipline, whom the employers were happy to get rid of. Further phases brought along significant signs of labour competition, strengthened by inter-regional differences.

Unemployment is still mostly influenced by continuing competition and by school graduates entering the labour market.

### **Ideas of the University of Agriculture Students about Work Opportunities**

When the end of university studies approaches, almost every student tends to recapitulate his or her results and thinks about the future. We carried out two surveys among final year students over a period of five years. The first one in 1993 included 324 students, the second one in 1998 included 382 students from the Faculty of Economics — Czech University of Agriculture (CUA) Prague. The questionnaire was focused on their opinions concerning the value of the education they received for their placement in agriculture and rural businesses and their immediate goals after graduation.

The students in the first survey started their studies at the CUA just before November 1989, i.e. in completely different conditions than those they finished their studies in. There have been major changes during the course

of their studies in the economic, political and social spheres, at the CUA and also in their way of thinking. We can simply say that the university they wanted to study at was different at that time and they too were different.

The students in the second survey started their studies with a more exact knowledge of the economic and social situation as well as their own possibilities. Five years in a changing economy is a very long period.

Restructuring of the national economy made the starting conditions for jobs in agriculture more difficult, on the other hand it opened opportunities for the utilization of the knowledge which is not only tied with farm production.

In any case the demand for quality of education has increased and today's students are far more aware of the fact that they are personally responsible for their life careers than their predecessors were.

The sample from 1993 was 324 students (44.8%) from 3–5 classes and the sample from 1998 was 384 students (52.5%) from 3–5 classes. There were 156 females in the first survey (i.e. 48.1%) and 216 females (i.e. 56.3%) in the second survey. All CUA specializations were covered. Almost half (49.7%) in the first and 39.6% of the students in the second survey came from villages or towns with under 10,000 inhabitants. The remaining students came from larger towns, however, the share of students from Prague rose from 12.7% in 1993 to 33.2% in 1998 in our sample.

Although there is no tuition fee at Czech universities nowadays, the minimum amount needed to cover subsistence cost on the CUA, i.e. accommodation at the dormitory, meals in the cafeteria and a travel pass was 1500 Czech crowns in 1993 and 2790 Czech crowns per month in 1998. It is necessary to add the growing costs of some textbooks, notebooks, diskettes, culture and entertainment, books, magazines, travel costs when going home, clothing and other basic expenses. They are partly covered by students' parents, partly by scholarships. Some of the students work and earn money for covering these expenses themselves.

Over three thirds of the students worked in the academic years 1993/1994 as well as 1997/1998 besides their studies. About 25% (in 1998 about 26%) worked regularly and 53.4% in 1993 and 47.7% in 1998 occasionally. Females more often have regular jobs (26.9% in both surveys) and they prevail among those without jobs (1993 — 24.4%, 1998 — 29.2%). Males more often have occasional jobs (1993 — 58.1%, 1998 — 52.4%).

There has been a significant rise in inflation over the last five years. The average amount of money available to students per month was 1640 Czech crowns in 1993 and 2930 Czech crowns in 1998, which includes support from parents, scholarships, savings as well as their own earnings. By comparison, the minimum monthly wage in CR was 2200 crowns 1994 and 2650 crowns in 1998. However, 14.6% of the students have less than 1000 crowns available a month and 38.5% have less than 2000 crowns

at present. The differences of distribution in categories of amounts are similar in both surveys.

The structure of CUA students with a growing share of urban inhabitants probably influences the opinion concerning the preference of living place. In 1993 29% of the students wanted to live in villages after finishing their studies (1998 — 22.5%), 8.3% of them preferred that unambiguously (1998 — 10.2%). However, 50.3% (1998 — 63.7%) wanted to live in towns, 18.2% (1998 — 27.9%) would definitely choose that. About 10% (1998 — 6.3%) of the students did not have any special demands concerning where they would choose to live and the same number (in both surveys) had not yet decided. Females generally preferred living in towns and males preferred living in villages.

In 1993 there were similar frequencies in answers on questions concerning a preferred job after graduation. However, the 1998 survey shows some differences. About one fifth of the students in 1993 (1998 — 11.8%) were interested in jobs in agriculture, 3.7% (1998 — 1.6%) unambiguously. 13.3% (1998 — 15.6%) did not have any specific idea and 56.2% (1998 — 63.6%) would prefer a non-agricultural job. 21.9% of these students (1998 — 25.8%) definitely did not want to stay in agriculture. There were almost no differences between female and male answers in both surveys.

At the same time, attitudes towards entrepreneurship are rather different in the second survey. For students who consider a job in agriculture or related industries being an employee was more attractive (26.8%) than being self-employed (16.7%). However, in 1998 24.4% of students preferred entrepreneurship as opposed to 20.3% who preferred being employees.

The interest in various industries when comparing the years 1993 and 1998 is as follows: banking (21.8 : 19.8%), domestic trade (7.6 : 9.7%), food industry (7.3 : 5.0%), tourism (5.4 : 13.2%), education (4.7 : 1.3%), forestry and fisheries (4.7 : 1.3%), international trade (4.4 : 9.4%), research and development (3.5 : 2.5%).

Answers concerning the expected first salary and expected financial needs at the beginning of a professional career are based on the inflation rate and salary levels in the years 1993 and 1998. We take them as an expression of placement into the existing social structure and subjective ideas in a situation when contacts with reality are mostly random, often secured by parental care and support.

The expected needs are of course higher than what could be covered by a starting salary. On average the expectation was 13,300 crowns a month in 1993 and 16,784 crowns a month in 1998. As a comparison — in 1993 30% of students speculated about more than 15,000 crowns a month for their needs, in 1998 this share was 55.4% of students. As an explanation, the declared needs included living costs, furnishing a home, family plans such as having a baby. On the other hand, students obviously expect their par-

ents' help or values created by the original family which they expect to use or own (car, cottage etc.). The living standard which they have already reached is reflected in their opinions, if we do not expect they want to live in more modest conditions than their parents did.

Thinking about the students' answers in depth, it has to be admitted that they view the current state of agriculture and rural areas realistically and do not expect attractive job opportunities and social appreciation of their work performance. However, they do not exclude the likelihood of job and personal career satisfaction.

The most favourable aspects the students state in connection with the period spent at university are related to age: extension of youth, leisure time available, easy-going life, opportunity to learn languages, sport, mature and make up one's mind, avoid military service, gain general knowledge, wide range of vision, self-confidence, outlook and experience, make friends, find a spouse.

Sporadically there was an opposite view: lost time, encountering alcohol, drugs, sex, prostitution. It is not clear whether the respondents denounced these factors in their answers, considered them beneficial, wanted to provoke or wanted to draw attention to negative facts existing in society and therefore also in the student community.

### **Students' Short-Term Goals**

The reality of a first job usually differs significantly from expectations. A regular job differs from occasional and part-time jobs carried out during studies in a similar way as students' love affairs differ from marriage — taking into account all the pros and cons.

When students think about their first job criteria, they prefer interesting work, the opportunity for self-satisfaction, a friendly group, the opportunity for professional growth and then only the salary. This sequence did not change from 1993 to the second survey in 1998. Other factors are almost the same — they do not consider the distance from their parents' place important, but emphasize a firm's goodwill, market position and corporate values. Some practical matters concerning a locality and living seem to be vital: air pollution, landscape, natural environment, good transport, sports facilities, opportunity for further education.

If these answers are taken as values found in a job, then there are no worries as far as this generation's orientation to money and market lack of scruples is concerned. Nevertheless, their ambitions and desires to excel cannot be overlooked. To be realistic there is a need to admit that their opinions are based on minimal life experience. Their first failures and disappointments are still ahead of them. Once they overcome them, their attitudes to life and work will change.

The question aimed on the students' life values and short-term goals after graduation offered choices from 21 alternatives, however, at maximum of 5 out of alternatives ranked according to their importance (Table 1).<sup>1</sup>

Table 1

## Professional and personal goals of students

| Rank of goals in next five years<br>(five alternatives) | 1998 |      |                |      | Rank<br>of goals |      |
|---|------|------|----------------|------|------------------|------|
|   | N    | %    | 5 altern.<br>N | %    | 1993             | 1998 |
| To find a spouse  | 78   | 20.6 | 174            | 46.0 | 2                | 3    |
| To arrange housing                                      | 44   | 11.6 | 234            | 61.9 | 1                | 1    |
| To achieve self-satisfaction                            | 45   | 11.9 | 173            | 45.8 | 3                | 4    |
| To earn enough money                                    | 43   | 11.4 | 192            | 50.9 | 4                | 2    |
| To have a family, children                              | 19   | 5.0  | 132            | 35.0 | 6                | 6-7  |
| To have good friends                                    | 7    | 1.9  | 142            | 37.7 | 5                | 5    |
| To have moral credit                                    | 30   | 7.9  | 118            | 31.2 | 7                | 8    |
| To become an expert in a certain field                  | 18   | 4.8  | 117            | 31.0 | 8                | 9    |
| To ensure material security for the<br>future           | 17   | 4.5  | 100            | 26.4 | 9                | 10   |
| To achieve professional success                         | 22   | 5.8  | 132            | 35.0 | 10               | 6-7  |
| To get professional experience abroad                   | 20   | 5.2  | 99             | 26.1 | 11               | 11   |
| To live a comfortable life without<br>serious problems  | 6    | 1.6  | 55             | 14.6 | 13               | 12   |
| To take care of elderly parents                         | 4    | 1.1  | 31             | 8.3  | 12               | 16   |
| To succeed as an entrepreneur                           | 6    | 1.6  | 36             | 9.5  | 14               | 15   |
| To succeed in sport                                     | 3    | 0.8  | 14             | 3.8  | 17               | 19   |
| To start one's own business                             | 7    | 1.9  | 38             | 10.1 | 16               | 13   |
| To build useful contacts                                | 0    | 0.0  | 36             | 9.6  | 15               | 14   |
| To reach a high social status                           | 1    | 0.3  | 28             | 7.5  | 18               | 17   |
| Other goals   | 8    | 2.2  | 13             | 3.6  | 20               | 20   |
| To be involved in a socially beneficial<br>activity     | 0    | 0.0  | 21             | 5.6  | 19               | 18   |
| To excel in politics                                    | 0    | 0.0  | 3              | 0.8  | 21               | 21   |

<sup>1</sup> From considered goals the equidistant scale was created (from +10 to -10) and first five grades were used for goals ranked on first five places. Weight of 3rd place is created by coefficient 1, 2nd and 4th places have coefficients by one equidistant unit lower or higher (9/8 and 7/8 respectively), 1st and 5th place have coefficient by two equidistant units lower or higher (10/8 and 6/8 respectively). The methodology is based on construction of 'Arbitrary scales' including some features of Coomb's 'Ordered Metric Scale' (Table 2).

Table 2

Professional and personal goals of students: sum of five alternatives from 1998 on the scale, rank of places on the scale and rank of goals in 1993 and 1998)

| Rank of goals in next five years                    | Sum of all alter. 1998 |       | 1993  |               | 1998  |               |
|---|------------------------|-------|-------|---------------|-------|---------------|
|   | N                      | %     | Scale | Rank of goals | Scale | Rank of goals |
| To find a spouse                                    | 192.63                 | 10.24 | 1.00  | 1             | 0.79  | 3             |
| To arrange housing                                  | 242.38                 | 12.88 | 0.95  | 2             | 1.00  | 1             |
| To achieve self-satisfaction                        | 173.88                 | 9.24  | 0.86  | 3             | 0.72  | 4             |
| To earn enough money                                | 196.75                 | 10.46 | 0.81  | 4             | 0.81  | 2             |
| To have a family, children                          | 129.38                 | 6.88  | 0.75  | 5             | 0.53  | 7             |
| To make good friends                                | 130.25                 | 6.92  | 0.74  | 6             | 0.54  | 5-6           |
| To have moral credit                                | 121.50                 | 6.46  | 0.68  | 7             | 0.50  | 8             |
| To become an expert in a certain field              | 116.25                 | 6.18  | 0.63  | 8             | 0.48  | 9             |
| To ensure material security for the future          | 99.88                  | 5.31  | 0.49  | 9             | 0.41  | 10-11         |
| To achieve professional success                     | 130.63                 | 6.94  | 0.45  | 10            | 0.54  | 5-6           |
| To get professional experience abroad               | 99.25                  | 5.27  | 0.44  | 11            | 0.41  | 10-11         |
| To live a comfortable life without serious problems | 50.00                  | 2.66  | 0.23  | 12            | 0.21  | 12            |
| To take care of elderly parents                     | 29.75                  | 1.58  | 0.22  | 13            | 0.12  | 16            |
| To succeed as an entrepreneur                       | 35.00                  | 1.86  | 0.17  | 14            | 0.14  | 14            |
| To succeed in sport                                 | 13.88                  | 0.74  | 0.12  | 15            | 0.6   | 19            |
| To start one's own business                         | 37.63                  | 2.00  | 0.11  | 16            | 0.16  | 13            |
| To build useful contacts                            | 30.75                  | 1.63  | 0.11  | 17            | 0.13  | 15            |
| To reach a high social status                       | 23.00                  | 1.22  | 0.09  | 18            | 0.90  | 17            |
| Other goals   | 13.25                  | 0.70  | 0.08  | 19            | 0.50  | 20            |
| To be involved in a socially beneficial activity    | 18.75                  | 1.00  | 0.07  | 20            | 0.80  | 18            |
| To excel in politics                                | 3.00                   | 0.16  | 0.02  | 21            | 0.10  | 21            |

The most important task for young people is to arrange housing. This wish is first on the list in 1993 and in 1998 (Table 1) and also on the scale of 1998 (Table 2). The continuing market economy causes the growing significance of financial means. However, in the rank of goals and on the scale any other changes are not so large — for students always have the deciding importance: to find a spouse, reach self-satisfaction, have a family and children, have good friends, keep moral credit.

Social values are surprisingly at the bottom of the scale: useful contacts, social status, socially beneficial activities and political activity. It is debatable whether these goals are really beyond the students' interests or if they only hesitate to declare them openly.

Despite the rising popularity of private entrepreneurship and the fact that people who have made the right decision at the right time, are creative and hard-working, have been making far more money than employees of both state and co-operative sectors — all these facts do not confuse the students, they are not influenced by a pipe dream of easy-made money and are well aware what entrepreneurship is about. Almost 40% of them have experienced entrepreneurship either in their own business or within their families, or as employees of entrepreneurs.

The hierarchy of life objectives indicates that despite recent development, students are normal young people who at this stage of their lives value mostly love, independence (expressed in terms of own housing and financial security), family, friendship, moral attitudes and job satisfaction. Critical points indicate that students have a crystal clear opinion of curricula and organization of the university. They are not happy with the role of educated people and their rising requirements are to be welcome. Their interest and lack of interest in education are both satisfactory indicators of curricula quality and the expertise of lecturers.

Labour market competition in the Czech Republic is growing quickly. Until the end of 1999 the unemployment rate was 9%, i.e. about 466 thousand registered unemployed people. However, there are differences concerning social groups according to education (last data from the end of 1998). The unemployment rate of university educated people was 2.1%, high technical school alumni 4.4%, gymnasium alumni 6.5%, skilled labourers 5.7%, elementary school alumni 15.2% and the unemployment rate of people with unfinished elementary schools 18.4%. It seems that these data from 1999 are higher, anyway, the relation has not changed. Educated people are always more adaptable, willing to learn and react quickly to labour market demands.