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## **Reflections of 'Late Modernity' in Land Ownership in the Czech Republic**

The features of agriculture have changed many times. These changes have been influenced by the societies in which agriculture has been practised and which owe at least part of their development to agricultural operations. The cumulative result of all transitions over the history of agriculture — which will not be the focus of this paper — is the status of contemporary agriculture which is typified by the following characteristics:

— Global market food production which joins agriculture with other actors of contemporary economic activities through industrialization and rationalization. These actors are often separated many miles from the localities in which concrete farming activities occur, but they continue to have strong influences on these activities.

— Increased concern about the landscape, in part due to the recognition that the impacts of farming practices and systems (e.g. the techniques of land tillage) transcend field-specific or local-specific contexts. In this sense, environmental impacts exceed the local borders of 'here and now' and transcend into the space of the national (or global) society and into the time of future generations.

— Political and strategic relations in which food becomes a commodity and staple of very high importance. As a consequence, a subject in one locality who produces and controls particular agricultural products which are demanded and needed in another locality gains power as a result of its control of production and products. This power differential can influence relationships between the production area and a second locality. Ownership of production may imbue producers with superior power due to the biological necessity for food and the spatial inequalities of food production and availability.

The words above indicate that the background of the contemporary status of agriculture is formed in part by a typical feature of the modernity as discussed by A. Giddens (1990) — the separation of space and locality

and new types of linkages between the two. However, agriculture is 'genetically bound' with certain localities understood as the place of events and context of production. Traditionally, farming can only be implemented where conditions make this activity possible, i.e. in localities where there is arable land. The fields necessary for agriculture cannot be withdrawn from one locality and transferred like financial capital into another locality in space. Anthropologists and historians have documented that societies based on gathering, hunting, pasturing or agriculture are characterized by a harmony of space and locality (e.g. Lévi-Strauss, 1966; Gurevitch, 1972). Simply speaking, the space of traditional peasants ended with the borders of the locality in which they lived and worked. Traditional peasants did not usually move beyond the borders of their localities because the whole of life was linked to agriculture and the village. The idea that, for traditional peasants, space was identical with locality is present in Czech sociologist Bláha's (1925: 126) ideal type of peasant who was characterized by *zemitost*:<sup>1</sup> 'All relations of a peasant to other people and to the world stem from this rural *zemitost* (attachment to the land) which ties a peasant with the land in a way which does not exist in any other area, which strongly defines his physical habits, his housing and the nature of his work. On the other hand, however, it makes him self-sufficient and in the technical and working sense, an individualist. *Zemitost* conditions a peasant's intellectual and moral life and his social relations.'

If agricultural production is still bound to certain localities then those who own this land in modern societies are often separated from the localities where their fields are located and their characteristics are very close to Z. Bauman's (1998) 'absentee landlords type II.'<sup>2</sup> The act of separation or withdrawal occurs, as was portrayed by K. Polanyi (1944), through the commodification of a man/woman (as a labourer) and through the commodification of nature (as a land market). This entire process results in

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<sup>1</sup> The Czech word *zemitost* is difficult to translate. It means that everything in rural life originates in land, everything has its tangible effects. There is no place for romanticism or high culture. We will use an English term 'attachment to the land' as equal to the Czech word *zemitost*.

<sup>2</sup> In Bauman's view, absentee landlords of the early modern era are notorious for their long lasting absence from their farms and estates without any interest in the needs of serfs who worked for them. Their only interest was the product from their estates or farms. These absentee landlords are very close to 'absentee landlords type II' of late modernity with one exception — they could not exchange their land tenure for another property and therefore they remained — although very weak — attached to the locality from which they generated their stamina. Compared to absentee landlords of early modernity, late modern capitalists and land brokers do not face any barriers to move wherever they want because they became very mobile.

a new status of society (normally captured in the term 'globalization') and is, of course, reflected in the social situations in specific localities.

The following pages cite data and material from a research project implemented under the grant of OSI/HESP, No. 1208/1997: *Institutional Change in Czech Agriculture: The Behaviour of Non-Farming Landowners*. The data and material will be explored for factual documentation of the characteristics of the withdrawal process resulting in space and locality separation and their reconnection in new forms. In other words, we want to assess the separation of the locality and space and ways of their reconnection in modern society and how this process occurs when local events are influenced by the fact that some actors live many miles from these local contexts. This goal will be pursued by comparing the behaviour of landowners who do not live in the locality where they own fields with the actions of those owners who do live in the locality where they own fields. The more distant owners can be conceptualized as the 'representatives of modernity,' while local owners are people who exhibit some features of rurality as described by Bláha's ideal type of peasant with a spatial attachment to his fields. In this way, we will address the larger issue of 'How to be rural in late modernity.' Is there a difference in the behaviour of landowners according to the distance between their residence and the place where their fields are located, or rather there exists a social distance (regardless of physical distance) concerning the relations to the owned fields which both (spatial and social distance) can be traced back as one of the results of modernity? If owners living at greater distances (either physical or social) from their fields are representatives of modernity because of their spatial and social separation from the locality, how do they attempt to overcome this separation through certain patterns of behaviour related to management of their fields?

### **Methodological Approach and Steps in Research**

The work on the project was implemented in several phases. The first phase, which will not be the focus of this paper but will rather be used to support some assumptions and conclusions, aimed to document the general rules of the game (institutions) that frame the behaviour of non-farming landowners. Therefore, this investigation focused on the formal institutions which establish rules and regulations intended to affect the behaviour of landowners. These institutions are typically in the area of law. Together with focusing on how legal frames (rules of the game) attempt to regulate the behavioural norms of non-farming landowners, we also examined the roles of economic institutions. These do not exhibit as strong a formal presence as legal institutions because the former are largely created in the sphere of the market. And market rules are not strictly normative but rather

contractual in origin; that is, they are negotiated and bargained within the frames of market activities. As for the economic area, our investigation focused on the identification and analysis of economic factors defining land price and land rental amounts. We considered these rules of the game as market institutions providing basic signals used as the background for landowner economic decisions about land management and the assumed pursuit of profit maximization. These types of institutions (legal and economic) were considered as macro-world, a world encompassing the everyday activities of the people living in their everyday micro-worlds.<sup>3</sup>

This work was enhanced by the second phase, which consisted of qualitative fieldwork. The authors spent more than two weeks in each of three investigated localities in Znojmo district (Filipov), Vsetín district (Rodákov) and Chrudim district (Lhota).<sup>4</sup> The visits were used to conduct non-formalized interviews with representatives of local farms and with selected landowners, to study local documents and to observe the behaviour of non-farming landowners and the conditions of the fields. This phase of the research provided us with the possibility of being fully engaged in the study of non-formalized institutions which both regulate behaviour in concrete localities of the micro-world of non-farming landowners and which are also created in these localities. This part of the research was continued (and completed) through a questionnaire survey among non-farming landowners whose fields are located in the case study localities.

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<sup>3</sup> In this paper a micro-world means a world which is familiar to its members (unless some of its radical changes do not take place). It is a world in which its members can orient themselves without difficulty and in which they can act thanks to their world-view (perception, interpretation and explanation of world familiar to them and inhabited by them). It is a world of our routine activities and interactions with which we cope without any difficulty. It is a world where our activities are secure due to our familiarity with this world. Everything that exists outside the micro-world (i.e. also the parallel worlds), can be treated from the point of view of the inhabitants of the original micro-world (the position of an observer is very important in this respect) as a macro-world. This is the reason why we would suggest to distinguish between two types of macro-world: (1) a macro-world in its proper sense understood as the totality of all local micro-worlds and represented by national or global society and (2) mezzo-world represented by concrete local societies which can be considered by their non-members as the macro-world because, although non-members can be confronted with these worlds in their everyday lives, they are not their members and define themselves based on the background of the dichotomy: WE and THEY. The perception of these worlds is as 'alien' worlds, i.e. they exist outside their micro-world.

<sup>4</sup> The names of localities Lhota, Filipov and Rodákov are the alias. They are used because we secure anonymity to the representatives of the farms we implemented our research.

### Description of Investigated Localities and Farms Operating There

The following numbers of owners rented their fields to the farms in the investigated villages during the period of our research.

**Lhota:** *agricultural cooperative farm* (cooperative collective farm — 831 hectares, 162 small landowners). This coop has operated since April 1993 as the successor of the unit of a former state collective farm. The coop farmed in the least favourable climatic conditions out of all the investigated farms. It is located in the Czech-Moravian highlands, at about 600 metres above sea level. After two years of operation, the coop faced serious economic problems, did not pay rent to field owners, and at the end of 1998 ceased its activities. This was one of the reasons why some owners in the northern part of the area indicated to us that they intended to rent their land to a more successful farm which also operated in this area. The farming in the locality of Lhota was then taken over by a large joint-stock company with headquarters in a town 50 kilometres from Lhota. This company operates about 13,000 hectares (ha) of land in Eastern and Southern Bohemia. It is also involved in many off-farming activities, especially restaurants and hotels. The rental fees as set up by the coop were 50 Czech koruna (CZK) per hectare of field and 20 CZK per hectare of meadow.

There is one private farmer (25 ha, 12 ha are rented from 3 owners) in this area. His operation is more successful than the cooperative farm, but he does not plan to rent any additional hectares.

**Rodákov:** *agricultural cooperative farm* (cooperative collective farm — 2732 hectares, 1098 small landowners). This coop has operated since the end of 1992 as the successor of former cooperative collective farm established during collectivization. The coop farms in relatively mild climatic conditions. It is located in the most fruitful part of Vsetín district, at about 350–400 metres above sea level. After four years of existence (1996/1997), the coop started making a profit, and it increased the amount of rent paid to land owners. Its intention is to farm about 5000 hectares of land. The rental fee as set up by the coop increased from 150 CZK per hectare of field to 250 CZK with the possibility of future increases.

There are also four commercial family farmers operating on the territory where the coop in Rodákov farms. They farm from 10 to 40 hectares but only rent from a small number of owners.

**Filipov:** *agricultural cooperative farm* (cooperative collective farm — 1487 hectares, 479 small landowners). This coop has operated since the end of 1992 as the successor of a former cooperative collective farm established during collectivization. The coop farms in the relatively most favourable climatic conditions out of farms investigated in the project. It is located in the Southern Moravian lowlands in the district of Znojmo, at 260 metres

above sea level. This district is characterized by its productive agricultural operations which dominate the region's economy. After two years of operation, the economic situation of the coop stabilized. Its intentions are future increases in rent for owners. Since 1995, the coop has purchased the ownership shares (not fields but shares in the coop as defined in the law on coop transformation) from the owners based on mutual contract. The cooperative form of farming is not considered as prosperous here from the point of view of enterprising in agriculture. They are aware that a farm which can purchase state land will become a strong competitor in this region.

*Joint stock company farm* (collective joint stock company farm — 2803 hectares, 403 small landowners, large owner is State Land Fund). This company has operated since the end of 1992 as a result of former state farm privatization. It farms in the same climatic conditions as the coop in Filipov, and its economic situation is similar. The same amount of rent is paid as in the coop (see below). The problem the company faces is an unclear future because it farms state land and has an insufficient amount of capital to buy this land at the market price. This farm is owned by a mother company headquartered in the largest Moravian city, Brno. This mother company is also involved in operating firms with services for agriculture (mostly purchasing grains and marketing agricultural inputs).

Both the coop and the joint-stock farm company in Filipov pay about 1000 (1017) CZK per hectare of field. We know that between the coop and joint stock company farm there exists a sort of 'gentlemen's agreement.' The aim of this covert and secret contract is to reduce the negative impacts of competition for land rental. For example, the farms agreed to provide the same amount of rent per hectare. This agreement of two large actors limits the possibilities of private farmers to acquire additional land. These informal agreements secure both farms with certain stability and with an ability to plan for the future. These agreements also serve to eliminate anyone else's desire to begin farming in the area.

There are 5–7 commercial private family farmers operating in the Filipov territory. The most important of these family farmers is a man who restituted a so-called residual estate with 250 hectares of land. His aim is to increase the size of his farm to about 400 hectares.

### **Questionnaire Survey Description**

The number of questionnaires which were sent to non-farming landowners was 1140. We received 352 of those questionnaires, or 30.9%. However, we had to discard 15 of the returned questionnaires due to their incompleteness. Therefore the sample we analyzed includes 337 respondents. Each rents either the majority, or, at least, minority of his/her fields to one of the project investigated farms — the agricultural cooperative in Lhota,

agricultural cooperative in Rodákov, agricultural cooperative in Filipov and joint stock company farm in Filipov. Landowners renting to private farmers in Lhota, Rodákov and Filipov were not investigated due to their small number. Within the entire sample, there are 19 owners who rent only a minority of their land to the farms described above. This group represents a particular sub-sample because they answered that their primary tenants were not any of the major farms included in this study. Therefore this group was labelled as 'other respondents' (compared to respondents from Lhota, Rodákov and Filipov) and will be referred to only in cases where they are significantly different from the answers of respondents who rent the largest part of the fields to one of the farms studied in detail in the investigated localities.

### **Theoretical Introduction to the Problem of Institutions of Land Ownership and Modernity**

The issue of ownership relations is considered by the authors as the factor which will be used to outline the relations between modernity — represented by the social behaviour of distant owners — and rurality — which we hypothetically assume will be represented, although only partially, by the social behaviour of local owners.<sup>5</sup> Nevertheless, we also assume that among spatially distant owners we can find those whose social behaviour can be close the behaviour of local owners and vice versa.

Ownership relations in contemporary farming develop particular features because the majority of landowners are separated from the management of their land. In other words, although they are the owners, they do not farm their property themselves but they rent it to somebody else who, they suppose, will take care of their property.<sup>6</sup> Again, the separation of space and locality and attempt to reconnect them are essential features of modernity in this context.

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<sup>5</sup> The distant owners described in this text are those whose fields are more than 5 kilometers from their permanent residence. Local owners live in areas less than 5 km from their fields. The research in the investigated farms provided us with the information that those who live more than 5 km from their fields also live outside the territory operated by investigated farms to whom they rent their fields.

<sup>6</sup> The situation in Czechia is generally as follows. On 1 January, 1996, there were 3,798,000 registered records of land ownership (official confirmation of the land ownership) in the Czech Republic. The majority of farming land (i.e. more than 3,400,000 hectares) is owned by natural persons (private individuals) or by various types of associations (legal entities). More than 800,000 hectares of farmed land are in the state ownership and they are managed by the Land Fund. Looking from the point of view of the land market, we can find more than 3 million subjects — potential small-scale sellers with an average area of land (plot) 0.44 ha. The majority of these people do not farm their fields (Němec, 1998).

The issue of ownership rights constitutes one of the key building blocks in the transformation of Czech society after 1989. If on the macro-world level the idea that private owners are the best individuals to take care of the land because they are owners (for more details see Mlčoch, 1996: 18–30) has been incorporated into the laws, then this assumption also contains one of the features of modernity. This assumption holds that private ownership is, according to various theories (e.g., naive and evolutionary theories of ownership), better for the operation of modern economic systems than group ownership (communal ownership) or state ownership. This is because both communal and state ownership either demotivate the members of these non-private relations or they reveal the high transactional costs from the point of view of bargaining (negotiations) among group members. The lack of motivation in communal ownership is often linked to the free rider effect that occurs when a portion of members is 'hidden' behind others, or when a person does not cultivate the ownership but uses only the fruits of the ownership which makes the dynamics of the system weaker. The so-called effect of 'overheating' has been described by A. Alchian for North American Indians and refers to the bottlenecks of communal ownership related to high transactional costs of this ownership management. When one of the Indians hunted more than others in order to sell more beaver skins to the white merchants, he received more money and goods, but he made more problems for others because he completely outhunted the common area. These problems of the 'commons' lead to pressures to divide the common hunting area into private plots among local people. Private ownership is a model of individualization and atomization which are typical characteristics of modernity. In contrast, communality and totality (which are perfectly documented by M. Mauss, 1999, in his concept of total fact) are considered as features of traditionality connected with pre-industrial (mostly rural) societies.

The last paragraph suggests that the institution of ownership rights in modern understanding is connected with the decisions of atomized (and cases of *laissez-faire* model even with isolated) sovereigns about their property. These rights which were in use in Czechia before collectivization were again to be transferred into the owner's micro-worlds after 1989. Ideally, an owner should bear all benefits and losses emerging from managing and operating his/her property. Further, the positive and negative externalities should be borne by an owner himself/herself because of clearly defined property boundaries. However this ideal model can never be obtained because owners operate in a field that includes various other actors. Nevertheless, taking into account all mentioned words, the institution of private ownership should provide the owner not only with rights but also with duties that should enable owners to internalize the externalities, and hence accept the positive and negative externalities joined with the ownership.



However, how does the behaviour of owners look when we examine their actions and participation in various decision-making scenarios?

### **Landowners and their Participation in Decisions about their Fields**

This part of the paper is based on the questionnaire survey. These findings will be supported by results from interviews and fieldwork conducted as part of the qualitative research. The questionnaire survey focused on various issues that revealed the behaviour of non-farming landowners. These issues were previously identified during our qualitative survey. Because this article aims to outline certain relations between modernity<sup>7</sup> and rurality in the behaviour of the Czech landowners, we will only focus on the questions that address this theme.

We asked owners about their level of participation in various management decisions related to farming activities on their rented land. Concerning the decision about the types and kinds of crops grown on the fields, 58.4% of our respondents-landowners leave these decisions completely in the hands of the renter. Another 29.7% were not able to answer this question at all. In essence, only about 12% of respondents are willing to be involved, to any extent, in decision-making in this issue. As for decisions about the ways of land tillage, 55.0% of respondents transfer this decision entirely (one hundred per cent) to the renter, and 30.9% were unable to answer this question. About 14% would like to have some influence on this dimension of activities conducted on their lands. In terms of deciding about the types of chemicals used to treat the crops, 46.8% of respondents transfer this responsibility fully to the renter and 34.4% were unable to answer this question. Only about 18% of landowners would appreciate to have any

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<sup>7</sup> Speaking about modernity, it is necessary to have in mind that in communist countries this process was to a large extent influenced by another process — collectivization (understood here as a process of organizing the whole society). Collectivization sometimes (for more details see Hudečková and Lošťák, 1993, 1994) acted in the same way as modernization or even speeded up this process. It was in accordance with Marx's visions which are sometime considered as the manifest of modernity (see Bělohradský, 1999). On the other hand, collectivization also slowed down modernization in some aspect and therefore a particular parallel with the traditional society could be drawn, e.g. certain system of privileged and oppressed people (as we found in the case of land use) and system based on patron-client relations (Možný, 1991). This is the legacy the former communist countries enter with into the space formed by the people living in the societies which were not exposed to long-lasting factors deforming the main features of modernization, regardless of its speeding up or slowing down. This legacy needs to be taken into account when speaking about, for instance, European Union enlargement.

input in this decision. The percentages in the question about the decision concerning the techniques of chemical application are roughly the same (with the differences in tenths of percentages) as in the case of the decision about the types of chemicals used on their hectares.

Similar depictions of landowner behaviour were documented in the qualitative phase of the research. We thus encounter some significant contrasts when comparing landowner behaviour with theoretical assumptions about private owner-sovereign involved in decision-making. The latter are incorporated or embedded into contemporary Czech formal institutions regulating ownership, but of course these institutions were formed at the macro-world level and hence separated from the micro-worlds of local events. In Lhota, Rodákov, and Filipov we heard many owners say that *I am glad somebody takes care of my fields at all*. This claim suggests no attempt to directly cultivate ownership duties on the part of landowners but rather the effort to transfer the care (and responsibilities) for the property to others.

The numbers presented above were found in the same proportions in each of the investigated farms and the sub-sample of 'other respondents' provides no exceptions. In all cases, the numbers of those who were both unable to answer the questions or who give all decision-making responsibility to their renters totals about 80–90%. This case suggests that the overwhelming majority of owners are characterized by the total transfer of their decision-making rights to the renter for the cultivation of their property and its management. The owner is sovereign only in deciding about transferring his or her rights to the renter. All consequent decisions about treatment of the land are given to those who farm the owner's fields. This aspect of land ownership clearly exhibits some features of modernity and its ambiguity in the case of land ownership, namely the space and locality separation in which events in the locality are influenced by events and people distant from the locality. Owners do not think about intervening in decisions concerning management of their property. It is as if they moderate modernity through the minimization of spatially separated interventions in the modern world. At the same time, they are also glad that somebody else (who is separated and living in, for the owners, the macro-world understood as the mezzo-world) will take over this decision-making. The consequence is a quickening of modernity in the sense of growing social separation from localities. Concerning land ownership, we can generally suggest that manifestations of modernity are largely ambivalent and ambiguous. This situation is partly due to the embeddedness of land in the locality, which protects it from full development of all parts of modernity (typical by its mobility) in land ownership.

Decisions about matters concerning land management are in the hands of those who directly farm the land. This means that decision-making is mostly a local matter of local land managers or land renters. Our suggestion

that this situation is marked by an 'ambivalence' of typical modernity in land management is connected with the limited sovereignty of owners' decision-making. It is also linked to the lower influence of localities from distant space in a case of land management; however, we should note that this process can also be viewed as an increasing separation in the sense of the transfer of an owner's right to other, spatially separated actors. The same patterns characterize both spatially local and spatially distant owners. Both groups indicated similar patterns of response in terms of involvement in decision-making, including the percentages of those who acknowledged no participation and those who could not answer the question due to insufficient knowledge which could indicate that spatial separation is not as important as assumed social separation. Physically distant owners more frequently stated that they could not answer the questions and some of them indicated no involvement in decision-making. Physically local owners more frequently acknowledged that the renter completely decides about chemicals and plants, and less state that they are not able to answer particular questions.

Higher level of attempts to influence land management by landowners is evident in the questions focusing on chemical use (almost 1/5 of respondents) and is slightly more common, although not statistically significant, among spatially distant owners. Similarly statistically insignificant is the higher focus of spatially local owners on questions indicating participation in decisions concerning matters connected with proper farming techniques. About 15% of local landowners (compared to 10% of distant) claimed that they should have some involvement in deciding on the types of crops grown in their fields and the tillage methods used on their rented ground. These patterns again point to a particular *zemitost* (attachment) of spatially local owners, their stronger ties with farming, and in general their higher level of attachment to rurality. On the other hand, spatially distant owners who are more urbanized (16% out of them live in settlements with more than 5000 inhabitants compared to 6% of local owners who are represented by some respondents from Lhota because they live in a town 3 kilometres from Lhota) are more likely to exceed locality (i.e. the feature of modernity) through more frequent attempts to influence matters related to environmental issues. The environment cannot be tied solely to locality because in many instances it is influenced by events thousands miles away from the locality.

### Reasons for Owning Land

The patterns outlined above are further confirmed by responses to survey questions dealing with the reasons why people own land. These reasons are connected by more local people to rural (*zemitost*) reasons with roots in the locality. Moreover, local owners expressed greater overall attachment to their land for all of the possibilities offered, with the exception of the

motivation for land ownership that is based on connections to memories about the locality where the fields are located. This last reason was cited as very important for 54.3% distant owners as compared to 53.8% of the local owners. On a case study area basis, this pattern did not hold true for landowners who rent their fields to the coops in Lhota and Filipov. Motivations for land ownership connected to attachment (*zemitost*) are more evident among local owners in their responses to the importance of ownership being connected with attempts to keep the land in the family (63.1% of local owners compared to 51.3% of distant owners), which is typical for more traditional locally-anchored societies. Similarly, 26.1% of local owners (as compared to 16.2% of distant owners) rated the motive of land ownership as a good source of income, which suggests the existential ties of local owners with their fields. The largest difference between the groups surrounded their rating of the importance that land ownership conferred in terms of maintaining a link with farming. This motive was rated as very important and important by 48.2% of local owners, compared to 33.1% of distant owners, a pattern that significantly confirms higher level of embeddedness in the locality where the owners own their fields.

Local owners are more characterized by rurality (*zemitost*) and therefore by higher embeddedness and connections with the locality where they own their fields. On the other hand, distant owners are more marked by two distinct sub-groups. One attempts to overcome the borders of locality where they live today and to reconnect spatial separations with the aim to establish some ties with the locality. This aim is especially strong among those who responded that a strong motive for land ownership is connection to memories related to the places where the fields are located. A second, larger group of distant owners appears to be eager to break down all existing ties with localities. These are individuals who gave much lower ratings of influence to all of the motives of land ownership.

### **Owners' Reasons for Renting their Fields**

Up to now, our paper has dealt with the issue of the willingness and efforts of owners to participate at various levels of real decisions about their property. We pointed out that the vast majority of owners give up the possibility of active participation in all areas related to the management of their lands. They have transferred responsibility for decisions (which however should always be connected with an owner) to the renters. It is through this process that non-farming landowners can be understood as the owners *de iure* (according to legal institutions), but *de-facto* owners (people who behave as real, actual owners) are the renters because they — at the bequest of the owners — make decisions concerning land management. The owners *de iure* own the fields but they do not behave as owners-sovereigns (as owners

de-facto) who are responsible for all the decision-making about their property. Such behaviour takes place because the owners de-iure only decided to rent their fields without any ideas about future care for them. The reasons that influence the decisions of owners to rent their fields are listed in descending order below. The percentages total more than 100% as owners could list as many reasons as were relevant to their personal situations:

1. 48.7% of respondents stated that they were personally unable to take care of their land, for example due to its distance from their place of residence, health or age, and therefore they rented the fields. This factor was cited more often by distant owners (59.0%) than by local owners (42.9%).

2. 29.3% of respondents stated that they had no knowledge of how to manage their fields and therefore rented them. This factor was cited by equal numbers of local (29.5%) and distant (29.1%) owners.

3. 26.9% of respondents stated that they did not know of any options for managing their lands other than renting them to a farm which asked them. Greater numbers of distant (30.8%) than local owners (23.7%) cited this as an important factor.

4. 17.3% of respondents stated that they rented their fields because they did not want to sell them. This reason was cited by 18.8% of local and 16.2% distant owners.

5. 7.8% of respondents stated that they rented their fields in order to improve their income. This factor was cited by generally low percentages of both local (7.2%) and distant (8.5%) owners.

Similar patterns, with small variations, characterized the responses in each of our investigation areas. The subgroup 'other respondents' (described earlier) cited a lack of knowledge of managing their fields themselves as their primary reason for renting. Among landowners who rented to the coop in Lhota, the fact that they did not want to sell the land and therefore rented was rated the second most important overall. For owners who rented to either of the large renters in Filipov, the claim that owners knew of no other alternatives for managing their property either equalled or exceeded the reason of having insufficient knowledge to manage the property themselves.

Within each of the local and distant owner groups, responses were generally similar across the case study regions for the reason that the respondents were unable to take care of their fields. For most other reasons, the proportions of local or distant owners subscribing to any one proposition were rather similar (the proportions of owners in some cases incline more to the local and in other cases to distant owners, differences may occur between sites).

The figures above suggest that the reasons why the owners rent their fields are linked to their personal situations, or in other words, to the dimensions of their present situation that make it impossible for them to actively manage their land. This impossibility is often due to old age (which

is more typical for local owners) and the long distance between residence and owned property (which is, of course, more typical for distant owners). In this case both time and space play their role in the separation from locality because the two (time and space) are the key aspects of mobility which is known as the typical feature of modernization. The other reasons for renting the fields are more the function of various circumstances related to the investigated farms in the study regions.

It is evident that the first three reasons for renting the fields can be labelled as 'helplessness.' These reasons are more pronounced by distant owners. The physical separations from the locality where their land is located influences the social behaviour of owners who do not know how to implement control over their property and therefore prefer to rent it. Such a situation shows how laws constructed to give owners all ownership rights and responsibilities (including control over property) did not consider presence/absence of the owners in the locality where their land is located. In the case of the land, modernity effects a withdrawal of owners (spatially and socially) from locality who thus establish an illusion of the control over this place (the control of locality is typical for the traditional owner). This illusion is a form of rejoining space and locality in the sense that control is implemented from another place. But in the case of land it is more difficult than in other issues. It is because the globalization as the feature of late modernity suggests the slogan 'there and once' while traditional 'rurality' is more typified by 'here and now.' But how can fields be transferred from 'here and now' to 'there and once'? An owner cannot store the fields and use them in another part of the world when necessary. Land ownership still requires a certain embeddedness in 'here and now.' The situation of separations and transcending from 'here and now' into 'there and once' (Bělohradský, 1999) brings the necessity of the growth of trust into those who live in the locality and operate rental properties entrusted into their care. We can even say that some owners are 'sentenced' to trust, because they do not have any other choice to whom to rent the fields which they cannot farm and manage.

This trust emerges from the efforts of owners, especially spatially distant owners (but also socially distant local owners), to find somebody who will take care of their fields because the owners themselves cannot take this responsibility due to their spatial or temporal separation (the last one in the case of elderly people which results in social separation in the case of their descendants). Briefly speaking, these owners are glad that somebody takes care of their property, even if they are rather uninformed about how this 'somebody' actually manages their land. Therefore they are often glad they have no additional work with their property and they do not have to be concerned about their property because management requires too much time and work. This situation suggests how action in concrete micro-worlds of-

ten does not correspond with the ideas incorporated in the institutions formed at the macro-world level. It was at the macro-world level (and not in local rural communities) that it was assumed that ownership rights would renew true interest in managing owned property by the very owners and that this would lead to less devastation of property. But because co-management on the part of owners requires high transactional costs (e.g., an owner would have to continuously negotiate with the renter about the ways of managing the land and would have to control the use of the property by the renter), the owners opt for less costly ways of management. Hence they return to the models that formed the ways they lived in various forms during the last 50 years (path-dependency). That is why they give up their formal rights, including the possibility of being involved in decision-making and controlling management of their property.

The owners transfer some of their rights related to owned land to those to whom they rent their fields. But in this sense the early modernity idea of eternity (cultivation of property on a long-term basis) associated with private property disappears because the renter can, hypothetically, misuse such attitudes of owners (e.g. a renter can harm rented land during the leasing period to exploit a maximal benefit for himself from rented land without any intention of signing a new contract with the owner). We did observe such a situation in the research we conducted in 1995 (but not in the research reported in this paper).

### **Conclusions**

Further to our research we can identify three types of owners. These types are described below, along with their associated characteristics of modernity or rurality as they appear in response to certain institutionalized behaviour.

Modern distant owners are representatives of modernity in the sense of space and locality separation and the attempts to rejoin them in new forms. Members of this group are typified by their inheritance of land during the period of collectivized farming. They have never, or only for a very short period of time in the past, farmed their land and they do not have any direct contact with agriculture now as most are employed in non-agricultural professions. The word 'distant' refers mostly to the fact that most members of this group live far from where their fields are located. The majority resides in towns and cities (spatial and social separation). But the word 'distant' also encompasses those landowners who physically live in the locality of their fields but whose understanding of the ownership separates them (social separation) from the locality and is similar to those of physically (spatially) separated owners. The absence of any particular attachment (*zemitost*) to the fields signals a lack of management interest

and therefore being separated from ownership denotes this sense of not influencing management. They show a great reluctance to take even a minimum interest in any decision-making affecting management of their land. This approach allows landowners to avoid some transactional costs, but it separates the owners both spatially and socially from their ownership because they have entirely forfeited their rights to influence and participate in using their property.

Owners rooted (embedded) in a locality are representatives of a largely traditional rurality in the sense of attachment (*zemitost*) to the land which they cultivate and manage. They are elderly owners who had farmed their land as private farmers (or with their parents as private farmers) before the collectivization of agriculture. Most of these owners live in or near the village where their land is located and they continue to try to farm at least a small piece of land, for example as an auxiliary plot. In many cases, these individuals only consider themselves 'owners' of the land they farm themselves, regardless of how many hectares they formally own. Their understanding of land ownership is related to the idea of eternity which is inherently linked to actual management and use of their property. Such people do not think of the land they rent in terms of ownership, but attach this label by rights only to those plots that they cultivate themselves. Such a division between understanding cultivated and non-cultivated ownership by an owner probably has its roots in the past (path-dependency). Works of Czech sociologists (Bláha, 1925; Galla, 1939) from the first third of our century document that farmers considered the cultivation of their land by themselves (*zemitost*) as more important than renting fields and living on rental earnings. A farmer renting out his land was often (with some exceptions in agricultural fertile areas like Filipov) considered as unable to take care of his fields and therefore lost informal status as a true farmer in a local community. This understanding of ownership was paradoxically supported during the era of socialist farming. In these years the right to use the land (e.g., by collective farms) was considered higher than the individual right to own land. In these contexts, the true understanding of private ownership was only reduced to those fields (for instance, the auxiliary plots provided by the collective farms for their members) cultivated by a particular person (and sometimes not owned by such a person) rather than to all the land such a person owned.

Modern local owners comprise a group located between traditionality and modernity in the sense of partial separation from, or partial attachment/*zemitost* to, locality. The 'modern local owners' are typified by living in the locality where they own the land and are at least partially interested in their fields and their future. This characterization is common with 'rooted in locality owners.' 'Local' is also attached to those owners who are physically distant from the place of their fields but who do not



want to be fully socially separated from their ownership rights and responsibilities, especially when crucial decisions about their land must be made. The difference from 'rooted in the locality owners' is that 'modern local owners' do not necessarily farm any of their land. Similar to the 'modern distant owners,' they want their fields to be operated by somebody else because they have neither the knowledge nor the capacity to farm the land themselves. But as opposed to 'modern distant owners' these individuals do not forfeit all possibilities to participate in the decision-making about their fields. Their motives of ownership, as revealed by the questionnaire survey and confirmed by the qualitative research, include more transcendental challenges exceeding our everyday experience and instantaneous economic profit. These attitudes contain the germ of the early modernity idea of eternity (long-term horizons) related to the restoration of private ownership and the assumption that private owners will not allow any devastation of *their* property because they will personally control that property. However, we suppose it is only the germination of this idea because not even these 'modern local owners' show much interest in influencing how their property is managed. Briefly, they would like to sustain the property for the future because of various reasons related to certain 'transcendental' reasons, such as sentimental desires to keep the land in the family or maintaining a connection with farming. But they are also glad somebody takes care of their property for them.

Finally we can say that land ownership and the implementation of true ownership rights to the land tied with private persons helps to sustain some features of rurality (e.g. *zemitost*). It is more common for local owners, and especially for those individuals rooted in the locality. The distance (spatial and social) of an owner from the place of his or her fields degenerates the meaning of fields to one in which they are viewed solely as a means of production. As Max Weber noted, the land loses its magic character. Instead of traditional relations to the land, a basic form of managerial capitalism emerges in rural areas. In this form of capitalism, decisions concerning management are transferred fully to the renter through an agreement (formal or informal) between owner and tenant. In this form of agriculture, owners do not cultivate or manage their property because either there are too many owners, or the owners are not skilled or experienced in such activities. Therefore they hire managers (special agents) to take care of their property. In this process of giving up a part of their sovereignty in managing their property while also decreasing their transactional costs, we note some principles of the theory of agency (for more details see Alchian and Demsetz, 1972). Agency operates as an institution for solving the problem of accordance between a large number of owners pursuing their own goals and therefore having problems in coordinating their activities, or for addressing problems emerging from owners' limited skills and ability to manage their property. These problems

are resolved by transferring responsibilities from owners to specialized managers. Consequently, agriculture loses its traditional bases and forms linked to the idea of owners who directly farm their land.

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